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DAILY REPORT

CONTENTS

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JAPAN

Primakov, Abe Discuss Gorbachev Visit	C 1
Yokusuka Asks if Nuclear Weapons On U.S. Sub	C 1
MITI Favors End to Curbs on Car Exports To U.S.	C 1
Diet Approves 3 Market-Opening Measures	C 2
Banks Support Plan for Loans to Debtor Nations	C 2
LDP Drops Threat To Force Diet Seats Bill Vote	C 3
Briefs: Steel Output Declines	C 3

NORTH KOREA

Paper Criticizes South for Fabricating Spy Case [NODONG SINMUN 12 Dec]	D 1
U.S. Decision To Sell Missiles to South Denounced	D 2
Recent Coup Attempt in South Discussed [Voice of National Salvation]	D 3
Kim Il-song Greeted Lao Leader on Birthday	D 6
Kim Il-song Receives Romania's SCINTEIA Delegation	D 6
Radio Talk Discusses Confederal State Proposal	D 7
NODONG SINMUN on Party Guidance of Economic Work [1 Dec]	D 9

SOUTH KOREA

North Reported To Have Trade Ties With 12 Nations [THE KOREA HERALD 13 Dec]	E 1
JSP's Adherence to North, NKDP Position Viewed [THE KOREA HERALD 13 Dec]	E 1
U.S. Statistical Errors Cause Delay in Shipments	E 2
Further ROK-U.S. Negotiating Problems Reported	E 3
NKDP Wants Results Made Public	E 4
Chon Reveals Military Tension, Economic Crisis	E 4

CAMBODIA

'Heavy' Artillery Attack by SRV Force on KPNLF [Bangkok BANGKOK WORLD 13 Dec]	H 1
PRACHEACHON Comments on Vientiane Summit	H 1
Sihanouk Visit to Beijing, PRC Support Viewed	H 2
CPSU Lecturers Delegation Arrives for Visit	H 3
Siem Reap Town Attacked; Soviet Said Killed [VONADK]	H 3
VODK Reports Zhao Ziyang-Sihanouk Talks	H 4

LAOS

Phoumi Vongvichit Meets Press on Thai Relations [Bangkok BAN MUANG 6 Dec]	I 1
PASASON on CGDK Delegation's Visit to PRC	I 1
Souphanouvong Greeted Thai King on Birthday	I 2

THAILAND

Troops Clear Landmines Near Kampuchean Border	J 1
U.S. Experts Examine Mines	J 1
More Mines Found 12 Dec [BANGKOK POST 13 Dec]	J 1
Ministry Must Publicize Mining [THAI RAT 11 Dec]	J 2

VIETNAM

VNA Rejects Thai 'Fabrications' on Mine Planting	K 1
PRC Artillery Attacks in Ha Tuyen Described	K 1
Army Paper Scores 'Master,' 'Valets' [QUAN DOI NHAN DAN 12 Dec]	K 1
Coalition Gathering in Beijing Criticized	K 2
PRC Aid to Coalition Attacked	K 2
NHAN DAN on U.S. Asia-Pacific Strategy [11 Dec]	K 3
Philippine Civil Aviation Delegation Visits	K 6
TAP CHI QUAN DOI NHAN DAN Article on Ha Tuyen [Nov]	K 7
VPA Chemicals Force Conducts Training Classes	K 10

MALAYSIA & SINGAPORE

MALAYSIA

Mahathir Calls Off Iran-Iraq Peace Mission [AFP]	O 1
Official on Cambodia Solution, 'Cocktail Party'	C 1

PHILIPPINES

Campaign Begins; Supreme Court Hears Petitions	P 1
Aquino-Laurel Rally [KYODO]	P 1
Marcos Warns of Tumult	P 2
Marcos Meets KBL Leaders	P 2
KBL Platform [BUSINESS DAY 12 Dec]	P 2
Ople, Almendras Decline NP Candidacy Offer	P 3
[PHILIPPINES DAILY EXPRESS 12 Dec]	
CPP To Support 17 Candidates in Local Elections	P 4
[TIMES JOURNAL 12 Dec]	
Comelec To 'Weed Out Nuisance Candidates'	P 4
Dismissal of Anti-Election Petitions Sought [AFP]	P 5
Ver Says Military To Maintain Impartiality in Polls [KYODO]	P 5
Ver at Marcos' Disposal [AFP]	P 6
Reiterates Impartiality	P 6
DAILY EXPRESS Views Tolentino Selection [12 Dec]	P 7
Valencia Claims Election Will Not Take Place	P 7
10,000 Stage Antigovernment Human Rights Rally	P 9
[BULLETIN TODAY 12 Dec]	
Human Rights Day Rally Disrupted by Bomb	P 9
[BULLETIN TODAY 12 Dec]	
Kidnappers of Government Workers Demand Ransom	P 10
Demand, Killing Denied [AFP]	P 10
Mayors Pledge Support for Anti-Insurgency Drive	P 11
[BULLETIN TODAY 12 Dec]	
Banks' Overall Reserve Deficit at Record High	P 12
[BUSINESS DAY 10 Dec]	
Banks Reportedly Buying More Treasury Bills	P 13
[BUSINESS DAY 12 Dec]	
Education Ministry Employees Plan Strike [BULLETIN TODAY 12 Dec]	P 14

PRIMAKOV, ABE DISCUSS GORBACHEV VISIT

OW121103 Tokyo KYODO in English 1055 GMT 12 Dec 85

[Text] Tokyo, Dec. 12 KYODO -- Soviet General Secretary Mikhail Gorbachev's visit to Japan has a greater chance of being realized than his failure to do so, a Soviet foreign affairs expert predicted Thursday. Yevgeniy M. Primakov, director of the Moscow-based Institute of World Economics and International Relations, made the prediction in a meeting with Foreign Minister Shintaro Abe, a ministry official said.

Abe told Primakov an exchange of visits by Gorbachev and Japanese Prime Minister Yasuhiro Nakasone depends considerably on how well Foreign Minister Eduard Shevardnadze's trip to Tokyo in January turns out, the official added. "We are fully prepared to welcome Mr. Shevardnadze," Abe told Primakov, who like the Soviet foreign minister, is a Georgian.

Primakov, one of Gorbachev's brains who was a member of the Soviet experts' team in Geneva at the time of the U.S.-Soviet summit last month, is presently in Tokyo to attend a meeting of trustees of the United Nations University.

Abe said that the Japanese Government expects Shevardnadze's Japan visit January 15-19 to mark a fresh dialogue in Japan-Soviet relations long marred by a territorial dispute over four Soviet-occupied Japanese islands off Hokkaido.

YOKOSUKA ASKS IF NUCLEAR WEAPONS ON U.S. SUB

OW130417 Tokyo KYODO in English 0250 GMT 13 Dec 85

[Text] Yokosuka, Kanagawa Pref., Dec. 13 KYODO -- The nuclear-powered U.S. Submarine Houston left the U.S. naval base here Friday morning after an unusually short stay of about 22 hours.

The 6,000-ton Los Angeles-class submarine is described by the British director JANE's FIGHTING SHIPS as one of the U.S. naval vessels equipped with nuclear and nonnuclear Tomahawk missiles. Consequently its three visits to the Yokosuka Base this year have led to protests by local residents that it may be bringing nuclear weapons into Japan. The visits here were officially described as being for the crew to rest and for replenishment of supplies.

After the vessel's arrival Thursday, the Yokosuka municipal office asked the Japanese Foreign Ministry to confirm whether it was carrying nuclear weapons. The ministry, however, repeated the government position that Japan assumes no nuclear weapons are being brought into the country as long as the U.S. does not propose prior consultations on the matter.

MITI FAVORS END TO CURBS ON CAR EXPORTS TO U.S.

OW121127 Tokyo KYODO in English 1123 GMT 12 Dec 85

[Text] Tokyo, Dec. 12 KYODO -- The Ministry of International Trade and Industry (MITI) intends to terminate "voluntary" Japanese restraints on car exports to the United States when they expire at the end of fiscal 1985 next March 31, a top MITI official said Thursday. "Extension of the curbs is out of question unless there are abnormal developments (in the U.S. car market)," said the official, who declined to be identified.

Japanese automakers are holding down shipments to the U.S. to 2.3 million cars in fiscal 1985, an increase of 450,000 from the previous year. But a MITI source, agreeing with the official in principle, indicated the possibility of the curbs being continued into fiscal 1986 in one form or another for domestic consideration.

MITI must take account of sharp criticism of automakers, whose exports are a major source of Japan's trade surplus with the United States, voiced by other industries, the source said.

DIET APPROVES 3 MARKET-OPENING MEASURES

OW130411 Tokyo KYODO in English 0323 GMT 13 Dec 85

[Text] Tokyo, Dec 14 KYODO -- Three bills aimed at defusing trade friction with other countries Friday won the Diet's final approval when the House of Councillors passed them by a large majority. The bills had been passed by the House of Representatives November 28.

One of the bills provides for easing of government controls on business activities, including foreign exchange services and bond trading by credit unions, to expand domestic demand and so help reduce the nation's heavy dependence on exports. The other two bills concern Japanese import tariffs and imports of oil products.

The tariff bill provides for lowering or abolishing import duties on 69 products, including boneless chicken, palm oil and telephone exchanges, and cutting tariffs on 1,792 items, including newsprint and medical equipment, by a uniform 20 percent.

The oil product import bill provides for measures to be taken for liberalizing imports of gasoline, kerosene and gas oil.

BANKS SUPPORT PLAN FOR LOANS TO DEBTOR NATIONS

OW130155 Tokyo KYODO in English 0019 GMT 13 Dec 85

[Text] Tokyo, Dec. 13 KYODO -- The Bank of Tokyo and 13 other Japanese banks Thursday expressed full support to U.S. Treasury Secretary James Baker's proposal that Western commercial banks make new lending to help heavily indebted countries. In a joint statement conveyed to the International Monetary Fund (IMF) and the World Bank, the 14 banks declared their intention to contribute to resolving heavy external debts of Third World countries provided other debtor countries will also cooperate. This will put the so-called Baker plan in motion toward implementation now that American and Western European banks had already announced their support.

Baker's proposal, advanced at the joint annual meeting of the IMF and the World Bank in Seoul in October this year, calls for Western commercial banks to pledge new loans of 20 billion dollars over the next three years to the 15 most heavily indebted countries.

The 14 banks consist of nine major commercial banks, two long-term credit banks, two local banks and one trust bank. National shares in the proposed new lending are expected to be fixed by around next spring. Indications are that the Japanese banks will be allotted slightly more than 3 billion dollar because they account for about 16 percent of total outstanding Western loans to the 15 indebted countries, banking sources said.

LDP DROPS THREAT TO FORCE DIET SEATS BILL VOTE

OW111243 Tokyo KYODO in English 1227 GMT 11 Dec 85

[Text] Tokyo, Dec. 11 KYODO -- The ruling Liberal-Democratic Party (LDP), bowing to opposition pressure and dissent within its own ranks, Wednesday dropped a threat to force a vote on the controversial "six-six" Diet seat redistribution bill. Instead, the LDP leadership requested House Speaker Michita Sakata to mediate between the ruling and opposition parties in a bid to break the deadlock, political sources said. The move was seen as a setback for Prime Minister Yasuhiro Nakasone, who has staked his political leadership on the LDP bill.

The LDP's decision to drop the vote came during a marathon debate at the Select Public Offices Election Committee.

The opposition camp, which together holds half the number of seats on the committee in the Lower House, has sharply criticized the LDP bill, which is aimed at removing six Lower House seats from scarcely populated areas to big cities. The opposition criticism centered on the reduced number of seats to be assigned to particular constituencies under the LDP plan, saying that the new formula would lead to the introduction of the "small constituency."

Japan currently adopts an electoral system which gives three to five seats to each constituency. The LDP bill reduces the number of seats in four constituencies to two. In an unusual break of party discipline, two LDP members on the committee who would be affected by the seat reapportionment plan have joined the opposition in voicing criticism of the LDP bill.

Political sources said Sakata will seek to resolve the impasse through talks with LDP and opposition Diet policy chairmen. The opposition parties have agreed to Sakata's mediation, and the Diet is expected to extend its current session, due to end Saturday, for a week in order to allow the house speaker to work out a compromise.

Apart from dissent within its own ranks, political sources said the LDP leadership was also wary that a forced vote at the committee could have triggered opposition retaliation over other major items in the legislative program, including a trade deregulation bill.

BRIEFS

STEEL OUTPUT DECLINES -- Tokyo, Dec. 12 KYODO -- Japan's steel production in November fell 3.9 percent from a year earlier to 8.48 million tons, marking the fifth consecutive monthly decline, the Japan Iron and Steel Federation said Thursday. Federation officials attributed the drop to slow domestic demand and sluggish shipments to the United States, affected by the yen's appreciation against the dollar and steelmakers' voluntary restraints on exports to the U.S. Industry sources predict the slide in steel production will continue for the time being. [Text] [Tokyo KYODO in English 0851 GMT 12 Dec 85 OW]

PAPER CRITICIZES SOUTH FOR FABRICATING SPY CASE

SK130351 Pyongyang Domestic Service in Korean 2154 GMT 11 Dec 85

[NODONG SINMUN 12 December commentary: "Cheap Tricky Farce"]

[Text] According to a report, the puppet clique has arrested a Japanese, who disguised as a foreign student studying in South Korea, allegedly built up a so-called underground network and conducted espionage activities on South Korean college campuses.

According to the puppets' announcement, this Japanese student entered a certain university in Seoul in the early 1980's, collected information on the status of the struggle of the youths and students, collected some 600 pieces of the printed materials and antigovernment booklets scattered by them, went to Japan every school vacation, reported to someone, and received operational funds from him. The puppets also said that he played a recorded tape which he had kept with him when the South Korean youths and students waged an anti-U.S. and antipuppet struggle in May on the 5th anniversary of the Kwangju massacre.

Although the puppets are experts in fabricating tricky farces, they were unable to present other facts, in forging the clumsily fabricated cheap tricky farce, than that they collected several leaflets scattered by the youths and students and that the Japanese student played the recorded tape concerning the Kwangju incident "Kwangju, Kwangju." The puppets were also unable to mention the name of the university the Japanese student infiltrated.

The Japanese, who has been arrested on espionage charges, does not admit his crime. According to KYODO of Japan, meeting his mother and brother in Seoul on 8 December, he said that he had never done what the puppets had claimed and that he would assert this in court. His brother said that his family believes that his brother did not receive operational funds worth several million won.

What are the puppets aiming at through this fabricated farce? The so-called spy cases announce in South Korea are the products of intrigue invented in the secret rooms of the puppet Agency for National Security Planning or the puppet Security Command. They are fabricated whenever the anti-U.S. and antipuppet struggle of the South Korean youths, students, and people is heightened and the military fascist rule faces crisis. This is a desperate measure to escape a crisis by deceiving the masses and by anti-communist rackets.

Some time ago, the puppets fabricated a spy ring case and staged vicious anticommunist rackets placing the blame on us in an attempt to justify their brutal suppression on the South Korean people.

In South Korea this year, the antiforeign force and antipuppet struggle of the youths, students, and people is being stepped up daily in the face of the fascist clique's unprecedentedly vicious and brutal suppression. The youths' and students' demonstrations are staged daily, and the struggle of seizure and attack on the U.S. imperialists' institutions of aggression in South Korea, the puppet administrative organizations, and DJP offices is being waged continually.

The puppets have fabricated the spy case in an attempt to mislead public opinion by giving an impression that someone is controlling the ever-heightening anti-U.S. and antidictatorial struggle of the youths, students, and people, thereby driving them to anticommunist confrontation, and to justify their suppression of the students and the people.

The puppet clique is attempting to inspire confrontation with us by means of the tricky farce and to sustain power by stepping up the fascist suppression, but they are certain to fail. The mean tactics of the Chon Tu-hwan ring will only result in the acceleration of its crisis.

U.S. DECISION TO SELL MISSILES TO SOUTH DENOUNCED

SK130551 Pyongyang Domestic Service in Korean 1150 GMT 13 Dec 85

[Unattributed commentary: "The Ambition for a Northward Invasion Which Cannot Be Kept Hidden"]

[Text] Our people, together with a broad range of people in the world, are now hoping that the agreements reached in principle at the Soviet-U.S. summit meeting will be put into practice at an early date. In particular, they are expecting that these agreements will be embodied as quickly as possible on the Korean peninsula, which faces the most imminent danger of a nuclear war.

Nevertheless, the bellicose politicians in the United States are ceaselessly exacerbating the situation on the Korean peninsula with their reckless maneuvers to beef up arms, challenging this noble aspiration of the peoples in other countries.

According to news reports from Washington, on 9 December the U.S. Department of Defense reportedly approved the sale of Stinger antiaircraft missiles to the South Korean puppets and notified the U.S. Congress of this. According to the announced list of items to be sold, the United States is expected to sell 133 Stinger anti-aircraft missile systems, and 599 missile parts worth \$57 million to South Korea.

This shows how persistently U.S. war merchants are clinging to maneuvers for war preparations. What cannot be overlooked in this regard is the statement issued by the U.S. Department of Defense after its approval of the sale of the Stinger anti-aircraft missiles.

The U.S. Department of Defense noted impudently in the statement that the sale of this equipment will strengthen South Korea's so-called deterrent power and will contribute to preserving peace and stability on the Korean peninsula.

To be sure, this can only be termed as an outrageous brigandish logic. Judging from all practical acts, the U.S. imperialists' prattlings about peace and stability are nothing but an out-and-out lie and empty lip service to justify their criminal war preparations.

As is well known, the U.S. imperialist aggressors are doggedly accelerating war preparations while enthusing over the modernization of the U.S. troops occupying South Korea and the puppet army. Under the pretext of preparing for a short-term showdown, the U.S. imperialists are accelerating preparations for nuclear war and chemical warfare against us, together with the puppet clique.

The U.S. imperialists' decision to transfer to South Korea the Stinger antiaircraft missile systems, along with a large quantity of missiles and parts, a decision that followed the transfer of a large number of Hawk missile parts to the South Korean puppets, is no doubt to further instigate the Chon Tu-hwan puppets [as heard] to a war of northward invasion.

This notwithstanding, the bellicose U.S. politicians impudently and boastfully refer to their measure to sell the Stinger antiaircraft missile equipment to the puppets as something that will contribute to strengthening South Korea's so-called deterrent power and to preserving peace and stability on the Korean peninsula.

The so-called deterrent power and whatnots prattled about by the U.S. imperialist aggressors are nothing but another aspect of the hackneyed threat of southward invasion that they have habitually propagated.

Practically speaking, it is none other than the U.S. imperialist aggressors that are ceaselessly exacerbating the situation on the Korean peninsula by their reckless military buildup and adventurous war exercise rackets. This is well known to the whole world.

Behind the curtain of the fabricated propaganda about deterrent power and peace and whatnots, the U.S. imperialists have already set the so-called offense operations plan and deployed most of the aggressive armed forces existing in South Korea in the forward areas close to the Military Demarcation Line, while clinging daily to frenzied war exercise rackets.

Because of the U.S. imperialists' adventurous war preparations, an extremely dangerous situation capable of triggering a war at any time has been created on the Korean peninsula. This has a harmful impact on North-South talks arranged to relax tension, to eliminate distrust and misunderstanding, to promote national harmony and confidence, and to provide preconditions for a peaceful reunification.

If the U.S. imperialists are really faithful to the spirit of the agreements reached in principle at the Soviet-U.S. summit meeting, they should first of all abandon their reckless war preparation rackets exacerbating the situation on the Korean peninsula and should respond to our proposal for tripartite talks.

RECENT COUP ATTEMPT IN SOUTH DISCUSSED

SK120454 (Clandestine) Voice of National Salvation in Korean to South Korea 0300 GMT
5 Dec 85

[Roundtable talk between Madam Yun Chong-won and unidentified male announcer, from the "Focus on Topics" program]

[Text] [Unidentified male announcer] How are you, everyone? It was reported some time ago that there was a coup attempt against Chon Tu-hwan, and that the participants were mainly retired military officers. In this hour, we will discuss this with Madam Yun Chong-won. How are you, Madam Yun?

[Madam Yun Chong-won] How are you?

[Announcer] As you know, recently there was a coup attempt by Pak Chae-uk and other retired military officers as well as personages of military, political, and business circles aimed at overthrowing the Chon Tu-hwan regime. Would you please briefly disclose the truth of this incident?

[Yun] Yes. Pak Chae-uk and other retired military officers attempted to overthrow the current regime. In addition, many personages of the political, business, and military circles reportedly participated in this attempt. Chong Hun, vice president of the Korea Highway Corporation; Pak Hyong-chu, former lawmaker; Yun Tok-chin, politician; Pak Yong-ho, lawyer; chairmen of giant business enterprises; a former police chief, and many other personages of political, social, and business circles were involved in the incident. In addition, some officers of the Capital Garrison Command reportedly participated in the attempt. Thus, it was a large coup attempt.

According to what has been made known, Pak Chae-u and other retired military officers, along with Chong Hun, vice president of the Korea Highway Corporation; Pak Hyong-chu, former lawmaker; and chairmen of giant business enterprises, had planned the coup d'etat since 1980.

Those who took the lead in planning the coup reportedly went to the United States by airplane from the U.S. Air Force base in Osan and obtained a pledge from high-ranking U.S. Government officials for U.S. support for the coup. As for the time of the coup, a plan was worked out to overthrow the current regime with the support of the U.S. 8th Army in South Korea and through the mobilization of a unit of the Capital Garrison Command, at this time when the anti-U.S., and antidictatorial struggle of our masses for democracy is intensified in South Korea and when the Chon Tu-hwan regime is concentrating its oppressive forces on suppressing it.

Those who took the lead in planning the coup also collected a considerable amount of money to be used to carry it out. In this fund-raising campaign, Chong Eun, vice president of the Korea Highway Corporation, contributed 14,435,000 won and Pak Hyong-chu, former lawmaker, 2,500,000 won. In total, almost 1 billion won was collected. At the same time, the chairmen of the business enterprises promised that they would offer unstinted support for the coup d'etat.

However, the coup plan was exposed, and those who took the lead in planning it were subject to the Chon Tu-hwan group's suppression.

[Announcer] As far as I know, this was not the first coup attempt since Chon Tu-hwan came to power. Would you please comment on this?

[Yun] You are right. There had already been a move against Chon Tu-hwan after the military purge in December 1979. In a press conference held in August 1980, Wickham, then commander of the U.S. forces in South Korea, said that a 20-member group of South Korean military officers visited him and said that they would eliminate Chon Tu-hwan, if the United States would support them. Wickham said that he stopped the attempt. According to rumors, the military officers apparently belonged to the Chong Sung-hwa faction. Chong Sung-hwa was sentenced to 7-year prison term by Chon Tu-hwan. However, he was released only half a year later. This was reportedly because of the pressure exerted by the soldiers belonging to the Chong Sung-hwa faction. That was not all.

On 5 June 1982, a C-123 aircraft carrying 53 commandos crashed on Mt Halla. The cause of the accident was not clear. However, it was reportedly the act of Chon Tu-hwan, committed when he received information about the attempt to eliminate him. In addition, on November 1982, seven generals belonging to the 17th class, including Paek Un-taek, then commander of the 1st Army Corps and deputy commander of the 1st Army Division, attempted to stage a coup d'etat. However, Chon Tu-hwan knew of this in advance. As a result, Paek Un-taek was killed, and the other generals were dismissed.

[Announcer] There have been many coup attempts since Chon Tu-hwan came to power. What is their background?

[Yun] Many things can be cited. However, the colonial ruling system cannot be maintained in South Korea without the elimination of the Chon Tu-hwan regime [sentence as heard]. This is the main reason. In the wake of the anti-U.S. and anti-Chon Tu-hwan struggle of our masses and students, the crisis of the Chon Tu-hwan regime has deepened. As you know, the anti-U.S. and anti-Chon Tu-hwan struggle of the masses of all strata and students is being furiously staged in a new aspect. When the National Assembly elections were held early this year, a furious struggle was waged against the Democratic Justice Party. In April and May, the anti-U.S. and anti-Chon Tu-hwan struggle was again waged furiously. Of late, U.S. organizations and the organizations of the Chon Tu-hwan DJP, such as the office of the U.S. Chamber of Commerce and Industry, the Bank of America, the U.S. Cultural Center, and the DJP political training center, were occupied and burned [as heard] in a bold struggle. This has driven the United States and the Chon Tu-hwan group to extreme fear.

Normally, the student movement becomes inactive during the winter. However, this winter, it is constantly being intensified. This, I think, shows that our people's resentment and animosity toward Chon Tu-hwan have reached the limit.

[Announcer] Yes. Chon Tu-hwan is now wearing the cap of president. However, no other person in the world has committed such a grave crime against the nation as Chon Tu-hwan has. Chon Tu-hwan is precisely the one who has dashed along the road of selling the nation, killing compatriots, and seeking fraud and corruption.

[Yun] True. The unpardonable crimes that Chon Tu-hwan has committed are indeed horrible. In May 1980, by mobilizing tanks and commandos, Chon Tu-hwan killed tens of thousands of Kwangju citizens, who demanded independence, democracy, and reunification, in a most relentless way. At the same time, through the December military purge, he eliminated all his political rivals.

Chon Tu-hwan has deprived the people of their freedom to hear, see, and speak. By visiting the United States, Chon Tu-hwan begged for continued U.S. guidance over South Korea. At the same time, when visiting the Japanese emperor, he raved about the South Korean-Japanese common destiny. Thus, he has given South Korea more deeply away as the double tributary of the United States and Japan. Challenging the people's desire for reunification, Chon Tu-hwan babbled about simultaneous entry or unilateral entry at the United Nations, thus persisting in the policy of division. In addition to the nation-selling crimes, Chon Tu-hwan has also amassed a fortune by mobilizing his family members and relatives and even the relatives of his wife, as seen in the Chang Yong-cha incident. Thus, it is entirely natural that the people's resentment has reached the limit. It is precisely under these circumstances that the students and people of all strata are struggling to overthrow the Chon Tu-hwan regime.

The coup attempt disclosed this time shows that Chon Tu-hwan is isolated in and rejected even by the ruling circle. At present, Chon Tu-hwan can remain president only with the support of the United States. However, at present, even those of the ruling circle have no desire to share the same destiny with Chon Tu-hwan, who has become the subject of the people's resentment. In particular, those who have been dismissed from the military and political circles by Chon Tu-hwan are keenly watching for a chance to take revenge. When he seized power, Chon Tu-hwan eliminated all of those who were against him, who were considered to be more able than himself, and who seemed to know his dirty personal history. He eliminated all such people from the military and political circles. He sent some retired military people to South Korea's overseas missions. He then mobilized his relatives, classmates, those from his hometown, and those faithful to him. Naturally, those who have been dismissed by Chon Tu-hwan will not sit idle. Under these circumstances, even those faithful to Chon Tu-hwan are now reportedly trying to stay away from him. It can be said that this is the background of the coup attempt.

[Announcer] The coup attempt disclosed this time makes us think that the United States is behind it. What is your opinion?

[Yun] I cannot say exactly, because the United States has not commented officially on the incident. However, I personally agree with you. Of course, the United States will never admit its involvement in the coup attempt. However, the prevailing situation shows that the United States may have been displeased with Chon Tu-hwan. In an attempt to shore up the crumbling colonial ruling system, the United States eliminated Pak Chong-hui and installed Chon Tu-hwan in the post of president. However, the anti-U.S., anti-Chon Tu-hwan struggle is more intense than ever. In actuality, this is the first time that the United States has faced our people's anti-U.S. resistance. There was no such resistance even under the Pak Chong-hui regime. As a result, it seems that the United States has now been driven into a corner where it has to exercise prudence in supporting Chon Tu-hwan in order to placate the anti-U.S. sentiment of our people.

I think this is precisely the background of the coup attempt disclosed this time. Those who took the lead in planning the coup said that they reached an agreement with the United States and that the United States promised support and cooperation. Of course, there is no way to prove whether this is true. However, I feel this cannot be dismissed as a groundless rumor.

[Announcer] Yes. I think it is not accidental at all that the Chon Tu-hwan group has been extremely dismayed, describing the coup attempt as one staged by those trying to rise up in the world and as a fraud committed in the name of a coup d'etat.

[Yun] Yes. This is the clumsy trickery of the Chon Tu-hwan group trying to bridge the crisis of its power by concealing the coup attempt and by describing it as a negligible incident. The Chon Tu-hwan group gathered some 300 retired generals at the Bando youth hostel in order to cajole them. On the occasion, the Chon Tu-hwan group begged for their understanding and cooperation and for participation in the current regime. This vividly shows the intensity of the Chon Tu-hwan group's dismay over the coup attempt. However, Chon Tu-hwan cannot extricate himself from the present crisis. Everyone is calling for the overthrow of Chon Tu-hwan. Our people's determination cannot be frustrated.

[Announcer] You are right. I think that the coup attempt disclosed this time shows that Chon Tu-hwan will face his end before long. Thank you, Madam Yun.

[Yun] Thank you.

KIM IL-SONG GREETES LAO LEADER ON BIRTHDAY

SK121114 Pyongyang KCNA in English 1034 GMT 12 Dec 85

[Text] Pyongyang December 12 (KCNA) -- Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, warmly congratulated Kaysone Phomvihane, general secretary of the Central Committee of the Lao People's Revolutionary Party and premier of the Lao People's Democratic Republic, on his 65th birthday.

President Kim Il-song in his message dated December 12 said that the Lao people achieved national and social liberation and have made great successes in the struggle for building a new life along the road of socialist development under the leadership of Premier Kaysone Phomvihane, and wished him greater success in his responsible work for implementing the decisions of the third congress of the Lao People's Revolutionary Party.

KIM IL-SONG RECEIVES ROMANIA'S SCINTEIA DELEGATION

SK121112 Pyongyang KCNA in English 1032 GMT 12 Dec 85

[Text] Pyongyang December 12 (KCNA) -- The great leader President Kim Il-song on December 12 received the delegation of SCINTEIA, the organ of the Central Committee of the Romanian Communist Party, led by Ion Mitran, member of the RCP Central Committee and editor-in-chief of the paper, on a visit to Korea.

Present on the occasion were Comrade Kim Yong-nam and personage concerned Yi Song-bok.

Romanian Ambassador Extraordinary and Plenipotentiary to Korea Constantin Iftodi was also present.

President Kim Il-song had a talk with the guests in a warm and friendly atmosphere. The guests presented a gift to President Kim Il-song.

RADIO TALK DISCUSSES CONFEDERAL STATE PROPOSAL

SK111254 Pyongyang Domestic Service in Korean 0919 GMT 5 Dec 85

[Unattributed talk: "The Most Reasonable Proposal for the Independent and Peaceful Reunification of the Fatherland"]

[Text] Today, all people in the North and South desire to put an end to the tragedy from which the nation is suffering, caused by the division of the country, and to reunify the fatherland at an early date. This ardent desire of the Korean people has not yet been realized because of the hampering maneuvers of splittists at home and abroad.

The Chon Tu-hwan puppet clique is tenaciously clinging to maneuvers to fabricate two Koreas by fixing division. It is busily going around the United Nations and other international arenas to create an atmosphere to perpetuate the division of the country, talking about simultaneous entry into the United Nations and cross-recognition under the manipulation of the U.S. imperialists. This is an intolerable challenge to the aspirations of the people at home and abroad for the reunification of Korea.

The question of the country's reunification is a very important issue connected with the life or death of our nation. A way to settle the question of the reunification of Korea in a just and aboveboard manner and in conformity with the interests of the entire nation lies in realizing our party's proposal for founding a confederal republic. The proposal to found a confederal republic, which has aroused broad support and sympathy from the North and South and abroad, is only a just proposal for national salvation which makes it possible to smoothly realize the national cause of reunification and help our nation freely and happily live in a reunified land.

The great leader Comrade Kim Il-song has taught: Our party demands that the North and South establish a unified national government, in which they participate equally, on the basis of recognizing and tolerating the ideologies and systems existing in the other side, and found a confederal state, in which they exercise regional autonomy with equal rights and duties under the unified national government, to reunify the fatherland.

The proposal to found a confederal state through the coalition of the North and South, put forward by the great leader, is the most reasonable method for reunification, incorporating the immortal chuche idea and the lofty spirit of national independence into the question of national reunification, and completely conforming to the historical and realistic conditions of the country. The proposal to found a confederal state is the most reasonable, just, and aboveboard way, because it is, above all, a nation-saving overture that thoroughly embodies the aspirations and demands of our people to correctly solve the question regarding the destiny of the nation from the stand of chuche.

The question regarding the fate of the nation is, in essence, a matter of realizing national independence. Independence is the life of a nation. Independence is the right of each nation, a right it cannot be deprived of. Only when a nation has independence can it solve its question in conformity with its intention and demands. The proposal to found a confederal state indicates a genuine way to make it possible to realize the demands and aspirations of our nation for repelling aggression and interference by foreign forces, restoring national sovereignty, and living as the master of its fate. There is no more urgent and important task for our nation, whose sovereignty has long been infringed upon by foreign aggressors, and is still being trampled underfoot by imperialists who have occupied half of the country, than completely realizing national independence.

A reunified and independent state should be founded to defend and safeguard national independence. Only an independent state can repel interference and aggression by imperialists and can firmly defend and guarantee the sovereignty of the country. As elucidated by the proposal to found a confederal state, only when an out-and-out independent, neutral, and peace-loving state is founded can the principle of independence be firmly adhered to in the political, economic, military, and other fields, thus achieving the prosperity of the country and the nation. Therefore, those who genuinely love the country and the nation should devote everything to the struggle to restore and defend national sovereignty, irrespective of whether they are nationalists or communists, and regardless of the idea, ideology, and system they may advocate.

The reason the proposal to found a confederal state is the most reasonable, just, and aboveboard way is that it is a program for reunification that most correctly reflects the common interests and demands of the entire nation and conforms to the concrete conditions of the country. From liberation to the present time, mutually different systems have existed in the North and South and different ideologies have dominated them. If privileges are granted to a certain faction, class, or stratum, or relations of unilateral rights and duties are established, confederation cannot be achieved. Under the situation in which mutually different ideologies exist and those who live in the North and South have different ideologies, a confederal state that takes their interests and demands into account should be established. Proceeding from this concrete situation in our country, the proposal to found a confederal state, set forth by the great leader, delineates the most reasonable way for establishing a reunified state by reflecting the common interests and demands of the nation on the basis of recognizing and tolerating the ideologies and systems in the North and South as they are.

All content of the proposal to found a confederal state is formulated in a just and reasonable manner so that it can totally conform to the interests and demands of the entire nation. This is clearly manifested by all matters regarding the form of a confederal state, such as its constitution, function, and name. The unified government of a confederal state is composed of the same number of representatives from the North and South and a proper number of overseas compatriots. It discusses and decides such common questions as those connected with the overall interests of the country and the nation, including questions involving political affairs, the defense of the fatherland, and foreign relations, in conformity with aspirations for the unity, collaboration and reunification of the entire nation and on the basis of unbiased principle, and pushes ahead with the work of developing the country and the nation in a unified manner, thereby realizing the desire of the whole nation for achieving national reunification.

The proposal to found a confederal state stipulates that, under the condition in which the confederation of the two sides on the basis of the two different systems existing in one nation is founded, a unified government shall honor the social systems and administrative organizations in the North and South and the opinions of each party, faction, and stratum, and one side shall not force its opinion on the other side. Also, the proposal elucidates that the regional governments in the North and South make efforts to narrow differences between the North and South in all fields and to achieve the development of the country and the nation in a unified manner, exercising their independent policies meeting the basic interests and demands of the whole nation with equal rights and duties under the guidance of a confederal government.

The proposal also suggests that the confederal state be called the Democratic Confederal Republic of Koryo [DCRK], so that the North and South can understand and accept it without damage to their interests.

The 10-point policy to be executed after the founding of a confederal state clearly confirms that the proposal to found a confederal state is the most reasonable overture for national salvation that reflects the interests and aspirations of our nation. The directions and reasonable ways for the uniform development of the country are elucidated by the 10-point policy. Also, a way to realize the desire of our people to live happily in a reunified land is concretely indicated by the 10-point policy. As shown above, the proposal to found the DCRK is the most realistic proposal for national salvation that correctly embodies the aspirations and demands of our people for achieving national unity. Putting an end to the misfortune and suffering of the nation caused by the division of the country, at an early date and reunifying the fatherland, is the greatest desire of our nation.

Because of the division of the country, the national commonness of our people, who lived as a single nation in the same country and land for a long period historically, has gradually disappeared and political, economic, and cultural differences between the North and South have become wider with each passing day. The people in the North and South eagerly hope to remove this abnormal situation, restore national commonness, and reconnect national bonds.

As long as all fellow countrymen unanimously aspire for reunification, differences in ideologies and systems existing in the North and South cannot become obstacles to reunification. If the North and South maintain the stand of not forcing their ideas and systems on the other side, those who have different ideas in one country can live together without difficulties. If the whole nation founds the DCRK through unity and collaboration between the North and South and reunifies the fatherland, our country will emerge in the world arena with the dignity and authority of an independent and sovereign state that has a shining national culture and mighty national economy.

Tripartite talks should be held at an early date to realize the proposal to found a confederal state. If a peace agreement is signed between us and the United States and a declaration of nonaggression is adopted between the North and South at tripartite talks, a firm precondition for a peaceful settlement of the Korean question will be provided. The prospects for our nation's reunification will be solidly guaranteed if the North and South, after a precondition for reunification through tripartite talks is provided, discuss the question concerning the founding of a confederal state, the most reasonable and realistic way for the country's reunification, on the basis of the idea and principle of the 4 July North-South Joint Statement. Therefore, in order to realize our party's policy of national reunification, those who love the country and the nation should unanimously turn out to the struggle to check and frustrate the splittist maneuvers of the U.S. imperialists and the Chon Tu-hwan puppet clique, who cling to the fabrication of two Koreas while advocating simultaneous entry into the United Nations and cross-recognition.

NODONG SINMUN ON PARTY GUIDANCE OF ECONOMIC WORK

SK050522 Pyongyang Domestic Service in Korean 2120 GMT 1 Dec 85

[NODONG SINMUN 2 December editorial: "Let Us Give More Substantial Party Guidance to Economic Work"]

[Text] Today, we are facing the important task of more vigorously stepping up economic construction by promoting the elevated revolutionary zeal of the masses. Carrying out economic construction properly is an important requirement to strengthen the might of the country and improve the people's standard of living.

Only when economic work is properly carried out can the material and technical foundation of socialism be firmly established, can the existing economic foundation be effectively utilized, and can the growing material and cultural demands of the people be met more properly. To carry out economic construction properly, the intensification of party guidance over economic work is necessary. Comrade Kim Chong-il, member of the Political Bureau Presidium, and secretary, of the party Central Committee, has noted: Today, our people's economy has reached a stage of high development, and its potential is very great. This calls for a further intensification of party guidance over socialist economic construction.

Today, our people's economy has reached a stage of high development, and the existing economic potential is very great. Our party is calling for us to mobilize and utilize the existing economic potential to the maximum extent, to step economic construction more vigorously, and to bring the economy of the country to a very high stage. To meet this demand properly, party guidance over economic work should be further intensified. For our party, carrying out economic construction properly is one of the important revolutionary tasks. The party is something necessary for socialist and communist construction and, thus, party guidance over economic construction is a very important element of the activities of the party for socialist and communist construction. The intensification of the party work, the rallying of the party members and working people around the party, and the promotion of their political zeal by our party are also for the purpose of carrying out economic construction properly and consummating the chuche revolutionary cause ahead of schedule. Giving proper party guidance over economic work is an important guarantee for implementing the economic policy of the party thoroughly and developing the economy of the country rapidly in accordance with the intent and demand of the party.

The party committees at all echelons, while upholding the demand of the party, must give more substantial party guidance over economic construction. By so doing, they must bring about new revolutionary upsurges in economic construction. Party guidance over economic work is precisely political guidance. Our party is the headquarters of the Korean revolution, and party committees at all echelons are the political guidance organizations to implement the policies of the party and its leadership. At the same time, party organizations are not administrative organizations or economic guidance organizations. Accordingly, party guidance over economic work should be given by adhering to the party policies and by applying a political method. Above all, party organizations and party functionaries must adhere to the economic policies of the party in giving party guidance over economic work. The economic work is precisely work to implement the economic policies of the party. Thus, without the struggle to implement the economic policies of the party, the party guidance over economic work is unthinkable.

In the economic policy of our party, the overall development of the people's economy, the development of the heavy industry, light industry, agriculture, construction, and transportation, and the chuche tasks and the method for their implementation have been elucidated. If the economic policy of the party is thoroughly implemented, the economic work can be properly carried out, and the economic construction can be vigorously stepped up along the correct path. Implementing the economic policy of the party is a decisive guarantee for giving proper party guidance to economic work and vigorously accelerating economic construction. Party organizations and functionaries at all echelons must adhere to the economic policy of the party and properly give party guidance to economic work.

Party organizations and functionaries must place emphasis on implementing the great leader Comrade Kim Il-song's teachings given for the sectors and units concerned and their embodiment -- the policies, decisions, and directions of the party -- with the principle of absoluteness and unconditionality. In particular, party organizations and functionaries must place preferential emphasis and great efforts on resolving the questions as desired by the great leader Comrade Kim Il-song and demanded by the party. Party organizations and functionaries must specifically discuss the great leader Comrade Kim Il-song's teachings for the sectors and units concerned and the decisions and directions of the party, and work out the measures to implement them. At the same time, they must meticulously plan the organizational and political work to mobilize the party organizations and members and to awaken the masses for their implementation.

Party organizations and functionaries must persistently carry out the work to implement the great leader Comrade Kim Il-song's teachings and the decisions and directions of the party. They must systematically analyze the status of the implementation of the great leader Comrade Kim Il-song's teachings and the decisions and directions of the party. In so doing, they must continue the redistribution work and ensure the accomplishment of the tasks which they have started.

While giving guidance for the implementation of the policies, decisions, and directions of the party, party organizations and functionaries must also give guidance to ensure that the administrative and economic work is carried out in accordance with the demand of the policies, decisions, and directions of the party. In this regard, they must evaluate the progress of the administrative and economic work in accordance with the great leader Comrade Kim Il-song's teachings and the decisions and directions of the party.

Political guidance is one of the demands of our party for giving party guidance to economic work. Party organizations and functionaries must not thrust themselves forward in carrying out the administrative work, but only give guidance over the administrative work. They must, first of all, properly carry out the work with the administrative and economic functionaries. By so doing, they must make the administrative and economic functionaries play their roles with the attitude worthy of masters.

Instead of thrusting themselves forward, party functionaries must put the administrative and economic functionaries in front, and establish an administrative work system to help them play their roles properly. At the same time, they must help the work of the administrative functionaries with the political work of the party. By so doing, they must ensure that the administrative and organizational work is carried out only by the administrative and economic functionaries, and must ensure that the political work is carried out by themselves.

The production workers are the masters of production and, thus, all problems can be properly solved only when the ideas of production workers are mobilized. Educating the party members and working people and organizing and mobilizing them are the basic mission of the party organizations and functionaries, and whether or not this mission is accomplished decides the success of economic work. Party organizations must leave the administrative, economic, and technical work to the administrative and economic functionaries, while carrying out the political work to organize and mobilize them through the party members and through the education of the masses. In this regard, party organizations must mobilize their subordinate party organizations and the working organizations and utilize the means of propaganda and agitation. By so doing, they must actively carry out the political propaganda and economic agitation work. To this end, setting a correct target and carrying out the propaganda and agitation work intensively are important.

Party organizations must realize the preferential and important questions in implementing the policies, decisions, and directions of the party and in accomplishing the economic tasks, and must place emphasis on solving them through the political work. At the same time, they must closely link the party work with the economic work, and must make the organizational and political work contribute to carrying out the economic work successfully. What is particularly important in the political work is to properly educate the functionaries, party members, and working people so that they will brilliantly accomplish their given tasks with the revolutionary spirit of self-reliance and arduous struggle.

Today, with a very high goal, we are vigorously advancing on all fronts of the socialist construction. On the road of advance, we may face unexpected difficulties. However, we can occupy any fortress because we have the wise leadership of the party and the leader, and the endless creativity of the people firmly united around the party and the leader. Party organizations and functionaries must vigorously carry out the organizational and political work so that all functionaries will brilliantly accomplish their given revolutionary tasks with a firm revolutionary stand, as the commanding officers of the anti-Japanese guerrillas thoroughly implemented the orders and directions of the great leader Comrade Kim Il-song under all circumstances.

To carry out economic work properly, functionaries must go to lower levels and solve the pending problems. The production workers implementing the economic policies of the party directly are at the production sites, and the policies of the party are implemented at the production sites. Only when they go to lower levels can party functionaries swiftly realize and solve the pending problems in production and construction, and the economic policies of the party be thoroughly implemented through the mobilization of the masses. In accordance with the demand of the working style of the great leader, party functionaries must go to lower levels and mingle with the masses. By so doing, they must fully realize the prevailing situation and make positive efforts to solve the pending problems in production and construction. Party organizations must drastically reduce meetings and documents and make positive efforts to bring the work to new levels. At present, the spirit of the masses is very high. All party organizations and functionaries must give party guidance more substantially in conformity with the spirit of the administrative functionaries, party members, and working people. By so doing, they must make a new turn in the economic work.

NORTH REPORTED TO HAVE TRADE TIES WITH 12 NATIONS

SK130101 Seoul THE KOREA HERALD in English 13 Dec 85 p 1

[Text] Tokyo (YONHAP) -- North Korea has set up a dozen joint ventures in the fields of nonferrous metals, light industry, electronics and services since it promulgated its joint venture law in January of last year, Japan's KYODO NEWS SERVICE reports Thursday, quoting Beijing's PEOPLE'S DAILY.

An official of north Korea's external Economics Ministry was quoted in the report as saying of the operation of the joint venture law:

-- There are no restrictions on areas where joint ventures are permissible and aliens can be allowed to take the chairmanship or presidency.

-- The ratio of capital investment can be four to five, or five to four.

-- Materials used by joint ventures can be imported free of duty, and if purchased domestically in north Korea, will be supplied at international prices on a preferential basis.

He also said products from joint ventures can be sold through north Korean trading firms; that income tax on joint ventures has been set at 25 percent, with a three-year grace period; and that up to 60 percent of the profit accruing to foreigners and of foreign employees' wages is allowed to be remitted abroad. He added that detailed conditions for the operation of joint ventures have already been enacted.

JSP'S ADHERENCE TO NORTH, NKDP POSITION VIEWED

SK130122 Seoul THE KOREA HERALD in English 13 Dec 85 p 4

[Text] The Japan Socialist Party's manifestation of its continued support for Pyongyang should deserve attention with regard to the recent controversy over the idea of forming relations between the party and a Korean opposition party. When judged from its policy guidelines for next year, the JSP has changed little as far as its position toward the Korean peninsula is concerned. By adhering to its traditional pro-Pyongyang policies, the Japanese party has virtually made clear that it is not genuinely interested in establishing relations with the New Korea Democratic Party.

The NKDP had requested as preconditions for arranging exchanges that the JSP correct its Pyongyang-titled policies. But such request has not been met, meaning that the idea of forming relations between the largest opposition parties of the two countries has hit a snag.

In its party platform for next year to be formally adopted during a convention starting next Monday, the JSP expressed its continued support for Pyongyang. The party backed up the position of north Korea by seeking the withdrawal of U.S. troops in south Korea. It also supported the Pyongyang-formed idea of holding tripartite talks between Seoul, Pyongyang and Washington.

A political observer commented that the NKDP must have nurtured a "wishful thinking" if it has expected the JSP to change its traditional pro-Pyongyang positions so easily. He said it is not surprising that the JSP continues to maintain its pro-Pyongyang stance, noting that the party still declines to recognize Seoul even 20 years after Seoul and Tokyo normalized their diplomatic relations.

The idea of initiating formal relations between the major opposition parties seems to have been discussed in earnest when Kim Yong-sam met with JSP chairman Masashi Ishibashi in Tokyo in October. The NKDP then planned to send a delegation to the JSP to pave the way for arranging exchanges. But it later postponed the plan amid warnings from the government and unfavorable public opinions.

Realizing the significance of the situation, the government asked the NKDP to exercise restraint. It maintained that establishing relations with the JSP should be considered only after the Japanese party corrects its policies toward the Korean peninsula. A government official expressed concerns that the establishment of relations with the JSP might be exploited by Pyongyang in its anti-Seoul maneuverings.

Some political analysts also see the possibility that the JSP seeks to establish relations with the NKDP only as a way to carry out its pledge to north Korea. They noted that JSP secretary Makoto Tanabe, while visiting Pyongyang in May, met with a senior north Korean politburo member and promised that his party would seek contacts with "democratic forces" in south Korea.

The NKDP should have made careful preparations and considered all factors involved before it presented the idea of arranging exchanges with the JSP, said the analysts. They noted that opinions have been split on the idea even within the opposition party. Before attempting to initiate a relationship with the JSP, the NKDP should try to foster common understanding with the Japanese party and among its lawmakers they said. Without such common understanding, the NKDP would face severe problems even if it agrees with the JSP on the establishment of relations.

U.S. STATISTICAL ERRORS CAUSE DELAY IN SHIPMENTS

SK130329 Seoul YONHAP in English 0316 GMT 13 Dec 85

[Text] Seoul, Dec. 13 (OANA-YONHAP) -- Frequent statistical errors committed by U.S. authorities have caused considerable delays in the shipment of commodities from south Korea to the United States, Korean trade sources asserted. The United States has made mistakes in tabulating Korean textile exports on more than 100 occasions, the sources said.

Frequent protests lodged by the Korean side and habitual U.S. corrections of its statistical errors have impeded the smooth flow of exports from Korea to the United States, the sources said. Twenty of the 224 Korean textile export items now subject to the U.S. quota system, including sweaters, jackets, cotton clothes and others, are particularly vulnerable to statistical errors, the sources said. All the items in question have easily obtainable export quotas.

Early last month, for example, U.S. Customs authorities refused to clear a large quantity of Korean-made sweaters exported to the United States on the grounds that they had reached their quota limitation. Although U.S. authorities, in response to strong protests lodged by the Korean Government, reviewed their statistics and corrected the errors, it caused considerable delay in the customs clearance process, prompting complaints from U.S. buyers, the source said.

Most of the statistical errors involved the calculation by computer of export volume and Customs Cooperation Council nomenclature numbers, the sources said.

Statistical differences in the volume of Korea's 1984 steel exports to the United States still remain unsettled. The 1984 volume serves as the basis for Korea's steel exports to the United States.

FURTHER ROK-U.S. NEGOTIATING PROBLEMS REPORTED

SK130850 Seoul YONHAP in English 0759 GMT 13 Dec 85

[Text] Seoul, Dec. 13 (OANA-YONHAP) -- Korean and U.S. officials were unable to resolve the trade friction between their two countries in their four-day talks, which ended here on Thursday, because they disagreed over a date for the protection of foreign material patents in Korea and the liberalization of Korea's insurance market. These stumbling blocks prevented the working-level officials from achieving a package solution to the bilateral trade disputes, despite the fact that they reached broad agreements on many other issues, a conference source said Friday.

The Korean and U.S. negotiators were on the verge of reaching an accord on the protection of copyrights and trademarks, excluding software, when a sharp confrontation emerged over the issue of chemical substance patents. The U.S. side insisted that Korea should protect foreign chemical substance patents after March of next year. The Korean delegation, led by Pak Chong-pu, a director general of the Economic Planning Board's International Economic Policy Council, said that the U.S. demand would be more realistic after the Korean Government enacts a set of legislative measures in the first half of 1987.

The trade talks grew out of the invocation by the Reagan administration of Section 301 of the U.S. Trade and Tariff Act, calling for an investigation of allegedly unfair trade practices by Korea.

The Korean side insisted that non-medical patents should be protected after 1987 and that medical patents should be protected after 1988. It also proposed the establishment of a screening center as a preparatory measure for protecting chemical substance patents more effectively. The U.S. delegation did not respond favorably to the Korean proposals, however, the source said.

During the bilateral trade talks, Korea expressed its willingness to allow two U.S. fire insurance companies to enter the domestic business pool system by July of next year. Under the Korean timetable, one U.S. life insurance firm would be allowed to enter the Korean market by the end of 1986. The two sides disagreed over the U.S. demand that an additional four U.S. life insurance companies be admitted into the Korean market by the end of 1988.

The two delegations agreed that Korea should revise its copyright law and should submit the revised version to the national assembly before April 1986, that the new law should be implemented in early 1987 and that Korea should join international copyright conventions by early 1988, according to the source.

The unresolved trade issues are likely to be referred to further consultations at a higher level. According to speculation here, Kim Ki-hwan, secretary general of the international economic policy council, and other high-ranking Korean officials will go to Washington soon to iron out the pending trade disputes through direct negotiations with the U.S. trade representative before the end of this year.

NKDP Wants Results Made Public

SK130714 Seoul YONHAP in English 0702 GMT 13 Dec 85

[Text] Seoul, Dec. 13 (YONHAP) -- The major opposition New Korea Democratic Party (NKDP) Friday urged the government to make public the results of the Korean-U.S. trade negotiations, which ended here on Thursday. In a statement, Rep. Hong Sa-tok, NKDP spokesman, said that the contents of the four-day negotiations should be made known to the public because the opening of the insurance market and the protection of foreign intellectual property rights in Korea are matters that will deeply affect the Korean economy as the nation prepares for the post-industrial period.

Hong said that any decision affecting such bilateral trade issues between Seoul and Washington would have a decisive impact on Korea's future economic course. The NKDP spokesman expressed his party's shock and anger at the reported results of the Seoul negotiations, which he said could bring about the subordination of the Korean economy to foreign countries. Hong suggested that an open debate involving experts and Koreans from all walks of life precede any final settlement of the Korean-U.S. trade negotiations.

Although Korean and U.S. officials concluded their working-level talks on insurance and intellectual property rights here on Thursday, they failed to resolve all their bilateral issues. They decided to hold another meeting, but have not yet selected a date, place or level for the talks. They agreed on the need to settle their disputes by the end of this year.

CHON REVEALS MILITARY TENSION, ECONOMIC CRISIS

SK130019 Seoul YONHAP in English 0812 GMT 12 Dec 85

[Text] Seoul, Dec. 12 (YONHAP) -- South Korean President Chon Tu-hwan said Thursday that the Korean people should steadily prepare for difficulties at this critical moment, as the nation approaches its goal of joining the ranks of the developed countries. "We must deal successfully with all kinds of severe ordeals and threats in the second half of the 1980s and must usher in an age of creativity for an advanced country," Chon said. The president made the comments in a congratulatory speech as part of the graduation ceremony at the National Defense College here.

Chon said that besides hosting the Asian games in 10 months and the Summer Olympics in 1988, Korea will bring about the first peaceful and democratic transfer of political power in the nation's history. "We should take the initiative in creating favorable conditions for the unification of the Korean peninsula by maintaining contacts and dialogues with the north," the president added.

He pointed out that military tensions are mounting on and around the Korean Peninsula, even though Seoul and Pyongyang have had exchanges and talks. At the same time, he said, increasing trade and economic frictions world-wide could bring about a menacing situation similar to that of the late 1930s, which led to World War II. Chon predicted that the threat of invasion from the outside and conflicts from within could cause problems for Korea. "We should continue to further promote economic growth and social development in the years to come, in order to create the foundation of an advanced nation."

Attending the ceremony, held at the college's auditorium, were National Defense Minister Yun Song-min, Education Minister Son Chae-sok, Seoul Mayor Yom Po-hyon and Chong Chin-kwon, chairman of the joint chiefs of staff. Among the college graduates were military and civilian officers who earned master's degrees in national security planning, international relations and military strategy.

'HEAVY' ARTILLERY ATTACK BY SRV FORCE ON KPNLF

BK130809 Bangkok BANGKOK WORLD in English 13 Dec 85 p 36

[Text] Aranyaprathet -- Vietnamese troops this morning launched a heavy artillery attack on a major stronghold of the Khmer People's National Liberation Front (KPNLF).

Military observers said the attack on O Bek Chan, opposite the Thai village of Angsila, signalled the beginning of this year's dry season offensive by the Vietnamese against Khmer resistance forces along the Thai-Kampuchean border.

Although the Vietnamese troops had launched similar attacks on the KPNLF base in the past two consecutive days, today's shelling was the heaviest. A military source said the shelling started at 8 a.m. It was aimed at O Bek Chan and areas around Hill 42, opposite Ban Nong Chan, and Prasat Sdok Kak, opposite Nong Samet of Thailand.

O Bek Chan houses about 2,000 armed KPNLF soldiers under the command of Liey Ne and I Lav Virak, the source said. The Vietnamese bombarded the base with 130 mm guns and mortars and the KPNLF soldiers retaliated with recoilless guns and mortars. Heavy fighting was continuing at noon today, the source said.

The Burapha Field Force was on full alert to prevent border incursions. No reports of casualties were immediately available. During yesterday's fighting, two KPNLF soldiers were killed, the source said.

PRACHEACHON COMMENTS ON VIENTIANE SUMMIT

BK120518 Phnom Penh SPK in English 0444 GMT 12 Dec 85

[Text] Phnom Penh SPK December 11 -- The top-level meeting between the general secretaries of the Central Committee of the People's Revolutionary Party of Kampuchea, the Communist Party of Vietnam, and the Lao People's Revolutionary Party spelled out the complete unity, strong militant solidarity and effective cooperation in all fields among the three Indochinese countries, in the spirit of the first Kampuchea-Vietnam-Laos summit in Vientiane in 1983, comments the biweekly PRACHEACHON in its latest issue.

The meeting of Heng Samrin, Le Duan and Kaysone Phomvihan took place in the Lao capital during the celebrations of the 10th independence day of the Lao People's Democratic Republic early this month. At present, the paper says, the special relationship among Kampuchea, Vietnam and Laos has entered into a new stage of development, going from success to great success, in the struggle against their common enemy. The situation in the three countries is irreversible, the paper stresses.

It continues by saying: "History has shown that each time the solidarity among Kampuchea, Vietnam and Laos was undermined, the revolution in each country was in danger and each time this special solidarity was strengthened the revolution was victorious. This solidarity, therefore has become a law and a condition for stability and progress of the revolution in Kampuchea as well as in the other countries of Indochina".

"On the strength of this militant solidarity, the Kampuchean people have recorded many victories in national defence and construction in the past seven years", the paper notes. It concludes by stressing that the entire party, all the Armed Forces and the entire people of Kampuchea will do their utmost to strengthen this militant alliance for the sake of each country and for peace, stability and cooperation in Southeast Asia and the rest of the world.

SIHANOUK VISIT TO BEIJING, PRC SUPPORT VIEWED

BK130606 Phnom Penh SPK in French GMT 13 Dec 85

["Nobody Can Blunt the Cambodian People's Determination" -- SPK headline]

[Text] Phnom Penh, 12 Dec (SPK) -- The recent urgent convocation of Sihanouk, Son Sann, and Khieu Samphan in Beijing is another effort by China to give life to Cambodian reactionaries.

It is common knowledge that after the heavy losses inflicted by the Cambodian Revolutionary Forces in close cooperation with Vietnamese Volunteer Army, in particular in the 1984-85 dry season, the Pol Pot clique and its associates are in complete disarray and the disagreements among themselves are becoming more serious. That is why Beijing is obliged to raise their low morale and give them the appearance of unity. Beijing promised against recently to provide military assistance and "an humanitarian aid" equivalent of 1 million yuan to each of the three factions.

Furthermore, after its vain efforts to rock the public's attention, particularly to blunt the vigilance of the Cambodian people, with bait such as "proximity talks", "cocktail party", "national reconciliation", and "neutrality", the enemy has proceeded with a new slanderous campaign about "possible attacks against Cambodian refugees during this dry season," "laying of mines in areas along the Thai border," and so on. These allegations have been launched concurrently with the disclosed threats, open provocations, and even the intensification of armed actions against Cambodia and Vietnam, its closest ally.

In Cambodia, there are daily infiltrations and acts of sabotage by Cambodian reactionaries from their bases in Thailand with the support of Thai artillery. Warships and aircraft coming from Thailand violated Cambodian territorial waters and airspace many times. During the first week of December, Thai L-19, A-37, and F-5 aircraft flew 29 reconnaissance missions over many regions in the border provinces of Preah Vihear, Siem Reap-Oddar Meanchey, Battambang, Pursat, and Koh Kong. On 30 November, a Thai spy aircraft entered up to 90 km deep inside Cambodian territory, which constitutes a most serious act of espionage.

Concurrently, in order to give some credibility to their promise of "military support", the Beijing ruling circle recently launched intensified bombardments and attacks against Vietnamese territory on the Sino-Vietnamese border. These moves are aimed at encouraging Cambodian reactionaries to pursue their acts of encroachment and subversion against the PRK and at blunting Vietnam's determination to help the Cambodian people to defend and construct their country.

The United States, China's partner, has played an active role in this undeclared war against the PRK and in its collusion with China against the three Indochinese countries. It has provided to Thailand sophisticated weapons and war materiel and has recently planned to reopen logistic dispositions in this country. Most recently, Paul Wolfowitz, assistant of the secretary of state for the Asian and Pacific affairs, during his 3-day visit to Thailand, visited various "refugee camps" near the Cambodian-Thai border and made sinister predictions about the "security of Thailand".

From all these open or discreet activities and from all the pilot-balloons of "peace" and "neutrality," one thing is clear: The enemy never renounces its dark schemes in Cambodia unless it is forced to do so. The Cambodian people, having learned this lesson from history, will not let themselves be taken by surprise at any time, but they will continue to struggle firmly with all necessary means and at all favorable times until they are able to defeat the enemy and nobody can blunt this determination.

CPSU LECTURERS DELEGATION ARRIVES FOR VISIT

BK120516 Phnom Penh SPK in English 0435 GMT 12 Dec 85

[Text] Phnom Penh SPK December 11 -- A group of Soviet lecturers led by [word indistinct] Choutov, lecturer of the Propaganda Commission of the Central Committee of the Communist Party of the Soviet Union, arrived in Phnom Penh Monday [9 December] -- for a friendship visit to Kampuchea. It was welcomed at Pochentong Airport by officials of the Commission for Propaganda and Education of the People's Revolutionary Party of Kampuchea and Vsevolod Galizskiy, first secretary of the Soviet Embassy in Phnom Penh. The delegation is scheduled to give talks on preparations for the 27th CPSU Congress, on the recent Soviet-U.S. summit in Geneva, and on economic management in Soviet Union.

SIEM REAP TOWN ATTACKED; SOVIETS SAID KILLED

LK130056 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 12 Dec 85

[Text] Our special detachment launched a 6-pronged attack on Siem Reap town on the night of 8 December. The first prong was directed against the hotel bungalow where Soviet advisers are living. The second prong hit the command post of battlefield 479 at Siem Reap high school. The third prong was directed against a weapon and ammunition storehouse north of the bungalow. The fourth prong hit the medicine storehouse. The fifth prong was directed against the jail. The sixth prong hit the new headquarters of the General Staff.

After 25 minutes of fighting, we took control of the situation in all these attacks. As a result, we killed 115 enemy soldiers and wounded 75 others. Among those killed were a Soviet adviser, a Vietnamese brigade [kangpol] commander, and two Vietnamese regiment commanders. Two other Soviet advisers were seriously wounded. We destroyed a weapon and ammunition storehouse with 500 metric tons of all types of weapons and ammunition, 300 assorted guns, 45 military vehicles including 3 jeeps, 3 motor tricycles, 10 motorcycles, 1 storehouse of bicycles, 1 warehouse of medicines, 1 250-watt communication radio, 3 C-25 radios, 5 telephones, 2 buildings of military training school, 150 military barracks, and a large quantity of military materiel.

We seized 25 AK's, 25 B-40's, 2 B-41's, 2 machineguns, 3 AR-15's, 15 B-40 rockets, 20 B-41 rockets, some ammunition, and some Soviet and Vietnamese documents. On the same night, the Vietnamese enemy aggressors sent reinforcement troops on three tanks and two trucks from the airport. We ambushed them and their tanks and trucks were set ablaze and completely destroyed. We killed 50 Vietnamese enemy soldiers and wounded a number of others. We destroyed three DK-75's, three 12.7 mm machineguns, and some military materiel.

On the morning of 9 December, the Vietnamese enemy aggressors sent a battalion to ambush us near Kouk Chan, but they were routed. We killed 10 Vietnamese enemy soldiers and wounded 5 others. We also destroyed some weapons, ammunition, and military materiel. In sum, we killed 175 Vietnamese enemy soldiers and wounded 80 others, for a total of 255 casualties. Among those casualties were three Soviet advisers, a Vietnamese brigade commander, and two Vietnamese regiment commanders. We destroyed a weapons and ammunition warehouse with 500 metric tons of weapons and ammunition, a medicines storehouse, a warehouse of bicycles, three tanks, 47 trucks, 3 motor tricycles, 10 motorcycles, 1 200-watt telegram machine, 3 C-25 radios, 5 telephone sets, 2 buildings of military training school, and 150 military barracks. We seized 57 assorted weapons, 35 B-40 and B-41 rockets, a large quantity of ammunition, and some Soviet and Vietnamese documents.

VODK REPORTS ZHAO ZIYANG-SIHANOUK TALKS

BK121539 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 11 Dec 85

[Text] The DK delegation which was visiting China with Samdech Norodom Sihanouk, DK president, as the head, and His Excellency Son Sann, prime minister of the CGDK, and His Excellency Khieu Samphan, vice president of Democratic Kampuchea, as deputy heads held talks with his Excellency Zhao Ziyang, premier of the PRC State Council, on 9 December.

During the talks Zhao Ziyang said that the unity of the Cambodian people, Cambodian patriotic forces, and CGDK is the most important factor of the Cambodian people's struggle against the Vietnamese aggressors. He stated: The consistent struggle of the Cambodian resistance forces under the leadership of Samdech Norodom Sihanouk and the CGDK will cause greater and greater difficulties to the Vietnamese and will get sympathy and support from more and more countries in the world. He said that only in this way will a timely settlement of the Cambodian problem be possible on the basis of the UN resolutions.

Premier Zhao Ziyang stressed that up to the present, Vietnam has shown no sign that it is sincere to withdraw troops from Cambodia. No one believes that Vietnam, besieged and attacked from all sides and beset with difficulties both at home and abroad, could go on with its aggressive war against Cambodia.

On this occasion, samdech DK president said that Vietnam has not made any sincere effort to settle the Cambodian problem peacefully. He said: Time is unfavorable to the Vietnamese. The patriotic forces of the three Cambodian parties are determined to continue the fight and to enhance our cooperation in diplomatic, political, and military fields. We are confident that our fatherland will surely be liberated and Cambodia will recover its independence, peace, and territorial integrity.

His Excellency Son Sann, prime minister of the CGDK, stated: Hanoi is facing increasing international pressure. Although it goes begging everywhere, it has received no help from the international community. He went on to say that his parties will further strengthen unity in order to frustrate the eighth dry season's offensive of the Vietnamese aggressors.

His Excellency Vice President Khieu Samphan said: Over the past 7 years, the Cambodian resistance forces have continued to be strengthened while the Vietnamese aggressors have been on the decline both diplomatically and politically.

Emphasizing the importance of the great national unity, he said that it not only necessary to achieve great national unity at present, but also necessary to have national unity for national defense in the future. His Excellency Premier Zhao Ziyang added afterward that the unity of the resistance forces of the tripartite CGDK and the struggle against the Vietnamese aggressors are encouraging.

The talks preceeded in sincere atmosphere of fraternal friendship.

PHOUMI VONGVICHIT MEETS PRESS ON THAI RELATIONS

BK120909 Bangkok BAN MUANG in Thai 6 Dec 85 pp 1, 16

[Text] According to a report from our correspondent in Nong Khai Province, Lao Vice Premier and Political Bureau member Phoumi Vongvichit held a press conference at the Education Ministry on 4 December. The press conference, which began at 1000 and lasted for more than 3 hours, was attended by 47 journalists, including those from socialist countries, such as Cuba, Poland, CSSR, and 5 from the free world countries, namely Thailand, Great Britain, Indonesia, India, and Japan. Speaking about Thai-Lao relations, Phoumi Vongvichit called for talks to settle the Thai-Lao dispute and to make the Mekong River a river of peace in accordance with the agreement reached by the Thai and Lao prime ministers in 1979. He said Laos has proposed to Thailand for some months already that bilateral talks be held to solve the problem of dispute over the three border villages, but Thai Foreign Minister Air Chief Marshal Sitthi Sawetsila said Thailand was not ready for talks. Phoumi Vongvichit said: "We want to hold talks with Thailand any time -- tomorrow, or the day after tomorrow -- the sooner the better as it would save people's lives."

Phoumi Vongvichit appealed that the Mekong River should be safe for both countries. He criticized Thai leaders for not matching their words with deeds when they said that Thailand and Laos are fraternal countries. The prime ministers of both countries agreed during their meeting in 1979 to declare the Mekong River which constitutes their common border a river of peace and friendship. Thai leaders have now forgotten that, and they have even threatened Laos by force. Anyway, Laos thinks not all Thai are like that. During the time of French colonization, some Lao turned to Thailand for shelter. We have never forgotten that. The problem between Thailand and Laos is not a border dispute. Laos recognized the Franco-Thai treaty of 1907. Phoumi Vongvichit said that Thailand and Laos share a common border as long as 1,600 km. The problem does not rest with the three disputed villages. Thailand is afraid that Laos would claim the 17 provinces in the northeast. Laos never thinks of that. Laos only wants its three villages as well as its soldiers back.

PASASON ON CGDK DELEGATION'S VISIT TO PRC

BK130531 Vientiane Domestic Service in Lao 0000 GMT 13 Dec 85

[PASASON commentary: "New Challenge of International Reactionaries" -- date not given]

[Text] According to Western news sources, in a plot organized as a meeting with leaders of the genocidal Pol Pot clique of murderers in Beijing a few days ago, the reactionaries in the Beijing ruling circles soothed and encouraged their lackeys by saying that no matter how long it may be, they will continue to give support and assistance to the Pol Pot clique of murderers and other Cambodian reactionaries along the Thai-Cambodian border. Such an arrogant and open statement by the reactionaries in the Beijing ruling circles has clearly shown their ruthlessness and intention to destroy harmony and to create endless tension in the region.

Regarding this fact, leaders of certain countries in the ASEAN group themselves, who have coped with the situation, clearly pointed out that it is China which is the culprit in posing direct and protracted threats to stability in Southeast Asia. It has been proved that words and deeds of the reactionaries in the Beijing ruling circles have directly constituted threats to the tranquillity of various nations in the region.

Through their words and deeds, the Beijing reactionaries have gone further along the path of conducting sabotage and subversive acts in accordance with their schemes to wage an undeclared war against the Cambodian people as well as against the three Indochinese countries and other countries in Southeast Asia.

As everyone knows, since the genocidal Pol Pot clique was overthrown and driven out of Cambodian territory, the Chinese big-nation expansionists and hegemonists have colluded with the imperialists in using the reactionaries in the region, in particular the ultrarightist reactionaries in the Thai ruling circles, to carry out an undeclared war to oppose the Cambodian people's building of a new life as well as to obstruct and sabotage the path of advance of the three Indochinese countries. In the past 6 years or so, schemes of Beijing big-nation expansionism and hegemonism and pan-Thaism and sabotage and subversive acts of the Thai ultrarightist reactionaries against the Cambodian people have been painfully defeated. Their schemes and tricks have been daily exposed and denounced by public opinion in the region and in the world.

Nevertheless, at a time when the Cambodian people are scoring great and all-round achievements in their cause of defending the country and building a new, brighter life and are firmly marching forward along the correct path chosen by themselves -- in particular after they achieved glorious victories in the past dry season by suppressing the shattered Pol Pot forces and other Cambodian reactionaries and driving them into an inevitable collapse -- the resentful Beijing reactionaries and their henchmen have organized the Thai reactionaries to clamorously make propaganda distorting the facts and spreading a thousand and one slanderous statements. For example, they have cooked up a story charging that Vietnam has prepared to launch a large-scale offensive, that Vietnam has encroached upon Thai territory and so forth in order to create a pretext for them to go further in creating tension along the Thai-Cambodian border. This slanderous propaganda nowadays is carried out by the mouthpieces of the military as well as foreign circles in Bangkok.

The bellicose statement recently made by the Beijing ruling circles has once again proved the expansionist and hegemonist true nature of the Beijing reactionaries who have always pursued the schemes of sabotaging and obstructing the steps and advance of the three Indochinese peoples, for example, through their undeclared war against the Cambodian people. Such a statement also directly poses a threat to peace, stability, security, and just interests of the various nations in Southeast Asia, which are persistently struggling to turn this region into a region of genuine peace, friendship, and cooperation.

SOUPHANOUVONG GREETES THAI KING ON BIRTHDAY

BK100425 Vientiane Domestic Service in Lao 1400 GMT 9 Dec 85

[5 December greetings message from LPDR President Souphanouvong to Thai King Phumiphon Adunyadet]

[Text] To His Majesty King Phumiphon Adunyadet of the Kingdom of Thailand, Bangkok:

On the occasion of Your Majesty's 58th birthday, I, together with the Lao people, would like to convey warm greetings and best wishes of good health, happiness, and all prosperity to Your Majesty, members of the royal family, and all fraternal people of Thailand.

Yours very respectfully,

[Signed] Souphanouvong, president of the LPDR.

[Dated] Vientiane, 5 December 1985

TROOPS CLEAR LANDMINES NEAR KAMPUCHEAN BORDER

U.S. Experts Examine Mines

BK121249 Bangkok Domestic Service in English 0000 GMT 12 Dec 85

[Text] American experts yesterday helped Thai authorities to explore paddy fields in Ban Mai Pak Hong village, at Aranyaprathet District, close to the Thai-Kampuchean border and search of about 400 Soviet-made booby traps planted by the Vietnamese forces. Navy Commander in Chief Admiral Nippon Sirithon last week asked the visiting commander in chief of the U.S. Pacific Fleet for assistance in examining the booby traps. The booby traps are believed to contain poisonous substances which killed and injured several Thai soldiers and farmers. About 100 local villagers joined the soldiers and border patrol policemen in scouring the area. Commander of the Burapha Force Major General Choetchai Thirathanon said representatives of the mass media were taken on a tour to witness the search for the booby traps which are located 100 to 200 meters inside the Thai territory.

More Mines Found 12 December

BK130105 Bangkok BANGKOK POST in English 13 Dec 85 p 3

[Excerpt] Aranyaprathet -- Thai bomb disposal squads unearthed more than 240 Russian-made anti-personnel mines sown by Vietnamese forces on the Thai border yesterday, according to military sources. The sources said that most of the small, anti-personnel mines were found scattered along the Mahod Creek within 300 metres of the border, in Ban Khok Sabaeng and Ban Mai Pak Hong villages, about 15 kilometres south of this border district.

On Wednesday, a total of 236 similar anti-personnel mines were discovered in the same villages.

Thai military sources earlier said that about 150,000 landmines, including these anti-personnel mines, were supplied by the Soviet Union to Vietnamese forces in Kampuchea. This deadly harvest was sown along the Thai-Kampuchean frontier as part of Hanoi's ambitious plan to seal the border and to prevent Khmer resistance guerrillas from getting into Thailand, said the sources.

Thai bomb disposal squads will continue to sweep the two border villages today to look for more killer traps. Some of the bombs unearthed have been sent to American specialists for testing to find out whether they contain toxic chemicals.

Asked why a bulldozer or an earthmover was not used to detonate the mines, Colonel Prasat Thaenkham, deputy commander of Burapha Task Force, said yesterday that it was a good idea, but he was afraid that the heavy equipment might come under attack by the Vietnamese. Military sources, however, said that Thai troops had been ordered to return fire against the Vietnamese shelling without having to first resort to firing smoke warning shells.

In a separate development, forces of the Khmer People's National Liberation Front engaged Vietnamese troops for the third consecutive day yesterday at the former Ritthisen Camp, opposite Ban Nong Samet of Ta Phraya District. During the skirmish, Vietnamese gunners pounded the resistance from their firebases in Ban Yeang Dangkim and Ban Nimit, forcing the guerrillas to fall back. Two resistance troops were reported killed.

Ministry Must Publicize Mining

BK121008 Bangkok THAI RAT in Thai 11 Dec 85 p 3

[Editorial: "Border Violations"]

[Text] The foreign minister and the secretary general of the National Security Council last week disclosed that the border had been mined, 2 km inside Thailand, by the enemy. The marines are now clearing the mines. Anyway, there has been no report on diplomatic measures taken -- indicating which party is responsible for the mining and what attitude Thailand has adopted regarding the border violations.

The disclosure by the Thai foreign minister means that Thailand must have proof for its claim. As there is a clear demarcation between the Thai and Cambodian border recognized by both countries, the mining inside Thai territory must be an intentional act. The party responsible cannot be anyone other than the Vietnamese in Cambodia backed by the Soviet Union. The mining must be aimed at aggravating international tension.

Thailand cannot remain idle over the issue. We have been threatened by frequent shelling of our border. The mining of our border has added to tension and aggravated the danger to our civilian people and officials. We must identify the guilty party. We must show to the world the evidences of aggression in Cambodia which has now spread into Thailand. This would complicate the problem at Thailand's border. The aggressors must have intended to escalate the tension in order that Thailand become more deeply involved in the Cambodian fighting.

The mining of the border, 2 km into Thailand, must therefore be within the context of the repeated border violations by the enemy. It is thus not sufficient for the Foreign Ministry just to disclose it. The ministry must publicize to the world that Vietnam is responsible for provocations and worsening of tension despite Thailand's consistent efforts to solve the problem.

It is clear that Vietnam, which is now occupying Cambodia, is intent on expanding the scope of international conflict in order to advance its design for regional domination regardless of the fact that it is trampling on Thailand's territorial integrity. This is due to the fact that Vietnam is backed by a power.

VNA REJECTS THAI 'FABRICATION' ON MINE PLANTING

OW121550 Hanoi VNA in English 1538 GMT 12 Dec 85

["V.N.A. Rejects Thai Slander" -- VNA headline]

[Text] Hanoi VNA Dec 12 -- According to foreign reports, in recent days the Thai authorities have repeatedly spread the news that Vietnamese troops crossed the Kampuchean-Thai border to plant mines on Thai territory. VIETNAM NEWS AGENCY is authorized to flatly reject the above-mentioned fabrication.

PRC ARTILLERY ATTACKS IN HA TUYEN DESCRIBED

OW121604 Hanoi VNA in English 1539 GMT 12 Dec 85

["China Continues Armed Provocations Against Ha Tuyen Province" -- VNA headline]

[Text] Hanoi VNA Dec 12 -- Repeatedly from Dec. 7 to 11 [dates as received] Chinese troops fired more than 16,000 artillery shells on Pa Han and Thanh Thuy areas and hills 1100, 1000 and 500 of Vi Xuyen district, Ha Tuyen Province. Particularly on Dec. 10, after heavy shellings from 8 a.m. to 11 a.m. and from 14 to 15 hours, China rifle men opened three battalion-sized attacks on area some 500 m east of hill 68. Vietnamese army men valiantly fought back the enemy wiping out many of them and firmly holding the position.

In the same period, Chinese troops fired thousands of artillery rounds and rockets on the hamlets of Na Cang of Loc Binh district, (Lang Son Province); Na Hang of Then Phung village, Meo Vac district; Ba May and Coc Pai of Xin Man district (Ha Tuyen Province), wounding a number of civilians. Besides, many groups of Chinese commandos and scouts were dispatched into Po Hen (Quang Ninh Province; Ly Quoc village of Ha Lang district (Cao Bang); Lung Cu of Dong Van district; Nan Xin, of Xin Man district and Hoang Su Phi in Ha Tuyen Province. The local people and armed forces opened fire in time, killing and capturing a number of them and seizing many weapons.

Army Paper Scores 'Master, Valets'

OW121115 Hanoi Domestic Service in Vietnamese 1000 GMT 12 Dec 85

[Text] On Sihanouk, Son Sann, and Khieu samphan being invited recently to gather in Beijing, today's QUAN DOI NHAN DAN carries a commentary entitled: "Time Is Not on the Side of Either Master or Valets." The commentary points out: At a time when the three Indochinese countries are repeatedly advancing many reasonable and sensible proposals aimed at resolving the problems hampering relations among the Southeast Asian countries, including the Cambodian problem, and the trend toward dialogue is developing in the interest of peace and stability in the region, Beijing's acts prove that it is still stubbornly pursuing its hostile policy toward the three Indochinese countries. Its untimely acts are being sternly criticized by public opinion in Southeast Asia and in the world. It will certainly further increase its isolation. Cambodia's revolutionary combat posture is stronger and more stable than ever before. For all the zeal of the Khmer reactionaries' leaders to serve their master's scheme, Beijing, however stubborn it may be, will certainly fail to save its lackeys from annihilation.

COALITION GATHERING IN BEIJING CRITICIZED

PRC Aid to Coalition Attacked

BK130633 Hanoi Domestic Service in Vietnamese 1400 GMT 12 Dec 85

[Station editor Vu Dinh Vinh's feature: "Heighten Vigilance for National Defense"]

[Excerpt] Dear comrades and friends, in the 1st week of December, the enemy continued to intensify its military activities along our country's northern border. For several days, Chinese gunners fired more than 60,000 shells at various areas in Ha Tuyen Province such as Meo Vac, Dong Van, Xin Man, and particularly Vi Xuyen. On 2 December, some 35,000 artillery shells were fired at the entire border area in Vi Xuyen District, and an infantry regiment mounted nibbling attacks on a number of our hills.

Upholding their vigilance and bravely fighting back, the Armed Forces and people of Ha Tuyen repelled all of the enemy's land-grabbing attacks and firmly defended our hills, killing nearly 500 aggressors and seizing a quantity of weapons, military supplies, and radio equipment. After this defeat, Chinese troops, on the next 2 consecutive days, frenziedly lobbed almost 25,000 artillery shells into 19 places in Vi Xuyen District, with the target area farthest from the border being Phong Quang, some 6 km northwest of Ha Giang City, causing serious losses to the local people.

Now the dry season has come. These new provocative acts and land-grabbing attacks by Chinese troops show that the Beijing authorities are going on with their scheme to encroach on our border and sabotage our people's production and daily life activities. The reactionary Chinese ruling circles continue to pursue their hostile, warlike policy and their perfidious designs against Vietnam. This situation has prompted our Armed Forces and people, especially the combatants and patriots in the northern border region, to constantly heighten vigilance, stand ready for combat, and swiftly counter all of the enemy's provocative military acts of encroachment on our border and territory under all circumstances.

For the first time in the past 2 years, the leaders of the three reactionary Cambodian factions have been summoned to Beijing to receive instructions from their master. Before their departure, both Khieu Samphan and Son Sann held a press conference in Bangkok to stress the importance of the trip. In Beijing, top Chinese leaders met and conferred with the three reactionary Cambodian leaders. In a dispatch from Beijing, the French news agency AFP observed: Generally speaking, diplomatic circles here do not expect any change in the stance of China, whose uncompromising attitude has been officially reaffirmed.

It has also been reported that Deng Xiaoping held talks with the three reactionary Cambodian leaders and declared that China would continue its support for them until what is termed as victory. Deng stressed that China would continue to help Pol Pot and other groups of Cambodian reactionaries for 100 years if necessary. The leader of the so-called DK coalition publicly declared at a news conference on 10 December in Beijing that China had pledged to apply ever-increasing military pressure along the Sino-Vietnamese border in support of its henchmen, and that this coalition had just received a detailed list of military equipment it will receive from China next month. The meeting between top Beijing rulers and leaders of the Cambodian reactionaries from 7 to 10 December in the capital of China is obviously an event that warrants our attention.

While the Cambodian reactionaries, especially the Pol Potists, are repeatedly suffering heavy setbacks following the destruction of virtually all of their hideouts along the Cambodian-Thai border, and while world public opinion is calling for the elimination of Pol Pot and the Pol Pot government in disguise, the Chinese authorities' act of breathing life into them by summoning them to Beijing and promising them support in all respects has exposed the maniacal and stubborn hostile policy of Chinese hegemonistic expansionism to use its henchmen as an instrument to undermine the life of the Cambodian people and their revival, sabotage the revolutionary cause of the Indochinese peoples, and undermine the trend toward dialogue so as to cause division and confrontation between groups of countries in Southeast Asia.

On the Cambodian-Thai border, in a series of provocative actions and shellings conducted by the Thai authorities against Cambodian territory, a fairly serious incident took place recently, with Thailand's A-37 aircraft intruding as deep as 90 km inside Cambodia's airspace and carrying out reconnaissance activities from Anlung Veng to the northern mountain area of Siem Reap Province. These are by no means accidental happenings. People are not unfamiliar with the collusion between the Beijing authorities and the ultrarightist Bangkok ruling circles and other reactionary forces in carrying out dark designs against Cambodia. The PRK Foreign Minister recently made public a white book entitled "The Undeclared War Against the PRK." The 72-page white book is composed of eight parts: 1) Causes of Tragedy; 2) Saving the Pol Pot Clique; 3) War Against Vietnam Yesterday, War Against Cambodia Today; 4) The Soap Bubble Coalition; 5) Money and Arms for Murderers; 6) A Criminal Scheme; and 7) All of the Enemy's Schemes Will Be Defeated. By firm contentions and realistic proof, the White Book systematically exposes the activities conducted over the past 7 years by the Chinese expansionists and hegemonists in collusion with the U.S. imperialists and the reactionary authorities of some ASEAN member countries -- the ultrarightist reactionaries within the Thai ruling circles in particular -- to use the Pol Pot army remnants and other Cambodian reactionaries in an undeclared war against the PRK. With Chinese and U.S. aid, Thailand has not only provided sanctuary for the Cambodian reactionaries but also directly helped the latter continue to undermine the revival of the Cambodian people.

The white book also stressed that although the enemy is frenziedly opposing and sabotaging their just cause, the Cambodian people, under the correct leadership of the KPRP and with the alliance of the revolutions in the three Indochinese countries, which includes the special solidarity bloc and comprehensive cooperation between Cambodia and Vietnam, have recorded great, all-round successes, particularly the military victories during the 1984-85 dry season. The Cambodian revolution is steadily advancing. All of the enemy's schemes and acts have repeatedly been foiled and will be totally defeated.

NHAN DAN ON U.S. ASIA-PACIFIC STRATEGY

BK121430 Hanoi Domestic Service in Vietnamese 1430 GMT 11 Dec 85

[Nhuan Vu article in 11 December NHAN DAN: "Relations of Alliance and Friendship in Washington's Asia-Pacific Strategy"]

[Text] This year, a number of people in the Reagan administration seemed greatly pleased with their success in pushing Tokyo to increase its annual military budget to over 1 percent of Japan's gross national product, or more than \$12 billion in real terms. At the same time, some Japanese warships have participated in joint wargames staged by the U.S. 7th Fleet in the central Pacific region. On the other hand, the Japanese navy has extended the radius of its activities to 1,000 nautical miles off the coasts of Japan's islands and, in fact, to the territorial waters of the Philippines.

However, when turning its eyes on Southeast Asia, a region regarded as early as in 1955 by U.S. President Eisenhower as a coveted market and source of raw materials, the Reagan administration cannot ignore a bitter reality: The United States has dropped to the second place in bilateral trade with the ASEAN countries, behind Japan. In its 12 July 1984 issue, the Thai paper THE NATION remarked: Japan has consolidated its position as number one in the ASEAN economy, a position the United States has no hopes of regaining.

This is indeed an unexpectedly high price the United States had to pay for the Vietnam war, and the one who benefited from it all was none other than Japan. For this reason, many people in both the U.S. military and economic circles have wondered whether the U.S. 7th Fleet has been serving all along as a guard dog keeping watch over the sea lanes to allow Japan to expand its economy in the Asia-Pacific region and even to other parts of the world, right on the back of the United States. And now, is it not true that Uncle Sam is once again sharpening the Japanese militarists' swords, creating conditions for them to revive their once shattered dream of a Greater East Asia when the United States remains their natural and inevitable adversary in the airspace of the Pacific?

Thus, the U.S.-Japan relationship of alliance, one of the key factors of the U.S. Asia-Pacific strategy, is one between two crooks. Uncle Sam, arrogant and condescending as ever though by no means less tricky than his partner, is having to look out nervously for any judo throw by Tokyo in both the economic and military fields. The Japanese islands that tower right in front of Uncle Sam are both an ally and an economic adversary in the three domains of market, investment, and raw materials. They may even become an opponent in every field in the future when Japan attains the status of a military power.

From New Zealand, a firm "no" has echoed resoundingly. No nuclear weapons-carrying U.S. warships are allowed to enter our ports! If this was a "no" heard on the piers of Japan, it would sound all too familiar to Washington. But this is a resolute "no" contained in the statements by Mr David Lange, prime minister of New Zealand, a member country of ANZUS -- the bloc grouping Australia, New Zealand, and the United States. In an interview granted to the magazine ASIAWEEK on 22 February 1985, Mr Lange added: This is the overwhelming voice of the New Zealand people in the 14 July 1984 general election that brought the Labour Party of New Zealand to power. The people of New Zealand have said so through the voting and through thousands of letters sent to my office.

New Zealand's decision to deny port access to U.S. nuclear-armed warships has angered and worried the Washington administration. First, this was a split in the ANZUS bloc that was considered by Washington the most uniform, steady, and stable U.S.-headed military alliance. Now, New Zealand, the youngest member of the bloc dares publicly to refuse to follow the U.S. command stick over the issue of nuclear weapons, the key and core of U.S. military strategy. The New Zealand event shows that it is time that the members of U.S.-headed alliances or bilateral military pacts realize ever more clearly the danger of being made hostages or scapegoats of U.S. nuclear strategy.

In the U.S. Asia-Pacific strategic battle plan, New Zealand occupies the back-door position of the Pacific and is the hinge between the Pacific and Indian oceans on the route of U.S. 7th Fleet warships and nuclear-powered submarines carrying strategic nuclear missiles and trajectories of the U.S. strategic forces. As this sea communications line is located in the outlying southern Pacific, it is easy to preserve the secrecy and safety of mobile forces. This prominently indicates the importance of New Zealand's two ports of Auckland and Wellington which have been used by the U.S. Navy as a rest stop for U.S. warships plying the abovementioned strategic sea route.

The word no from New Zealand's capital has another important political meaning. Prime Minister David Lange has adopted New Zealand government policy the New Zealand people's will to oppose the presence of U.S. nuclear weapons -- no matter what type -- on the mainland and territorial waters of their country. In such a current world situation and in view of the present alliance between the United States and New Zealand, it is difficult for the U.S. side to brazenly trample on New Zealand sovereignty. The trick it might use is to tell lies deliberately or to resort to sophistic pretexts to dodge the question and overlook the declaration of nuclear weapons on U.S. warships entering New Zealand's ports. As some U.S. papers have pointed out, in any event, New Zealand's stand still influences and exerts quite an impact on the anti-U.S. nuclear weapons movement that is developing broadly in Western Europe countries of NATO and in Japan. It is crystal clear that the United States can no longer trust those allies usually considered most reliable.

The Sino-U.S. collusion is an important factor with long range implications for the U.S. Asia and Pacific strategy. First of all, the United States is pleased with Beijing's policy of self-restraint over the Taiwan issue, under which Beijing pretends to overlook the U.S. naval control of the Taiwan Straits while in fact it has placed this island within the U.S. network of strategic frontlines in East Asia. The war of aggression against Vietnam in February 1979, was a ceremony for public appearance and reflected the line of coordinating policies and parallel actions to oppose the Soviet Union and Vietnam which Beijing offered to Washington. All of these were encouraging initial results for Uncle Sam playing the Chinese card. Then as the months and years passed, Washington gradually realized that China is far from being the U.S. market of the era. At the same time, it cannot help perceiving some suspicious phenomena which reflect the secret plots of its notorious doubledealing fellow traveller.

First of all, while shadowing the U.S. 7th Fleet, a component of the Southern Sea fleet of the Chinese Navy sailed into the Eastern Sea and threatened Vietnam's Truong Sa Archipelago. Taking this opportunity, it also loiters about the sea zone adjacent to the territorial waters of the Philippines, Thailand, Malaysia, and Indonesia.

In mid-November 1985, for the first time since the PRC was founded, a destroyer of the Chinese Navy escorted by a supply ship crossed the Strait of Malacca into the Indian Ocean, allegedly for a visit to Bangladesh. The force was insignificant, but it conveyed far-reaching strategic implications because it reflected the Celestial Court's ambitious dream of future expansion. Is it not true that Sino-U.S. collusion is leading to the opening up of a new horizon for the creation in the not too distant future of a navy rivaling the U.S. 7th Fleet not only in the Pacific but also in the Indian Ocean? Not everyone in the U.S. Navy and the CIA has forgotten the expansion of the Japanese Navy during the first 3 decades of the 20th century, a process of development that did not receive due attention from the U.S. Navy at the time.

Another glaring phenomenon has occurred under the nose of CIA agents in Thailand. Through the door widely opened to receive, foster, equip, train, and direct the Pol Pot army remnants in combat, tens of thousands of Chinese military personnel have infiltrated into Thailand in all kinds of disguises. Thailand's economy, especially in Bangkok, is strictly controlled by Chinese traders and businessmen, the majority of whom have acquired Thai nationality. Many statesmen and generals serving in the Thai Administration have close relations with Chinese business circles, or are of Chinese descent themselves, or have several Chinese minor wives according to local customs. What ideal, favorable conditions for Beijing's spies to operate on Thai soil!

In the silent struggle in this country, the well-heeled CIA still maintains the upper hand but is realizing that it now has an opponent to be reckoned with. Bangkok has become the backstage for all power struggles and coups d'etat between the various political and military factions in Thailand. From Thailand, the dark shadow of Beijing is spreading to Malaysia, Singapore, and as far as the strategic Strait of Malacca, one of the most important gateways to the Pacific. For this reason, at present, in the eyes of Uncle Sam, the ruling circles in Zhongnanhai are necessary road companions. However, these are cunning and dangerous companions. The strategic relations between the United States and its allies are essentially expedient, specious, and self-serving. This is one of the phenomena proving that the road of development of the U.S. Asia-Pacific strategy is not a smooth one on which the U.S. war chariot can proceed without hindrance.

PHILIPPINE CIVIL AVIATION DELEGATION VISITS

OW100834 Hanoi VNA in English 0815 GMT 10 Dec 85

[Text] Hanoi VNA Dec 9 -- A delegation of the Philippines Airlines led by Roman Ruz, president and general executive director, arrived in Ho Chi Minh City today for a working visit to Vietnam. He will discuss with the Vietnam General Department of Civil Aviation on bilateral cooperation for the coming period. Roman Ruz and his party were received by Tran Manh, general director of the host department and Le Quang Chanh, vice-president of the Ho Chi Minh City People's Committee. The Philippine guests toured several cultural establishments and other places of interest in the city.

Roman Ruz expressed satisfaction with the establishments of the air link between the two countries. He highly appreciated Vietnam's effort to ensure success for the recent inaugural flights, and expressed his wish for further development of the bilateral cooperation in 1986. The Air Vietnam-Philippines air link was officially opened in Sept. 9 and since then Vietnam Airline has made six flights to Manila. The Philippines performed its first technical flight to Ho Chi Minh City on Nov. 25. The two sides agreed that bilateral cooperation would be promoted in 1986 to include both passenger and freight transport.

TAP CHI QUAN DOI NHAN DAN ARTICLE ON HA TUYEN

BK101625 Hanoi Domestic Service in Vietnamese 2330 GMT 8 Dec 85

["Excerpt" of article by Nguyen Van Duc, member of CPV Central Committee and secretary of Ha Tuyen Provincial Party Committee: "The Army and People of Ha Tuyen Province Stand Firm on the Frontline of the Fatherland" -- published in the November 1985 issue of TAP CHI QUAN DOI NHAN DAN]

[Text] In light of the various party Central Committee resolutions and under the conditions of an embattled border province, the party organization of Ha Tuyen has determined at an early date that the entire province must simultaneously carry out two revolutionary strategic tasks: One is to produce and the other is to fight and support fighting. The border districts must make standing combat ready, fighting victoriously, and firmly defending the fatherland's border their primary task. The province has instructed all its districts and cities to do a good job of strengthening national defense, building the armed forces, standing combat ready and fighting well, firmly maintaining political security and public order and safety, frustrating the enemy's multifaceted war of sabotage, and defeating his land-grabbing war. At the same time, they must promote the development of agricultural, forestry, and industrial production and ensure on-the-spot logistic service to satisfy the urgent demands for food, housing, and consumer goods of the people of various nationalities and the Armed Forces fighting in their areas.

The border districts and cities must concentrate their efforts on consolidating and building national defense and must resolutely fight to firmly protect the border and maintain political security and public order and safety, considering them as their primary tasks. Simultaneously, they must step up production in all fields, ensure the people's livelihood, and contribute to caring for the living conditions of the Armed Forces fighting in their areas. The low-lying and inland districts must concentrate their resources on developing agricultural, forestry, and industrial production while satisfactorily carrying out the task of building the Armed Forces, standing ready to fight, and ensuring sufficient and timely provision of manpower and material supplies to meet the combat demands of the border districts and cities and the Armed Forces.

The entire province must devote all its resources to help the frontline vanquish the enemy and defend the fatherland's border. The resolve of our entire party organization is that, in any eventuality, we will make every effort to exploit all local potentials and concentrate on simultaneously building and developing economy; practicing people's war and all-people national defense; ensuring on-the-spot logistic service; consolidating combat positions to make them stable and both in width and in depth and both on the front and in the rear, thereby fulfilling the duty of a vanguard of the fatherland.

To achieve this goal, the province must develop its districts in all respects. On the frontline, we must step up and develop the people's war, building combat positions in the people's hearts, and develop connected combat positions of all three categories of troops to fight the enemy and maintain firm control over the localities under any circumstances. At the same time, we must continue to build and develop economy and stabilize the people's livelihood in wartime conditions. To cope with the situation of an embattled border province, we have attached importance to improving the leadership of the provincial party committee and the guidance of the people's committee and military command while consolidating various provincial sectors and committees to effect a drastic change in both the way of thinking and activities of all levels, from the grassroots to the districts and province.

First of all, we set forth the policy of opposing the method of working far from the grassroots, production, and fighting. The comrade members of the provincial party committee must regularly strengthen their control over the grassroots and the provincial people's committee must improve its guidance, cut down red tape, hold fewer meetings and conferences, and dig deeper into various specific problems concerning fighting and production to help the grassroots resolve them. All sectors must gear all their activities to supporting the grassroots, production, and combat activities.

The provincial party committee itself must be exemplary in maintaining close contact with the grassroots. Through the organization of implementation of both tasks -- fighting and production -- it must seek out good people to train them to be cadres and to train the district level so that they may be capable of leading and guiding these two tasks. At the same time, the provincial party committee must know how to consolidate the grassroots in conjunction with building the districts to make them firm and strong in all respects.

Through combat activities, our province has paid attention to training, improving, forming, and promoting cadres and educating and training party members, thereby creating a source of cadres capable of assuming duties in their localities. In so doing, we have gradually overcome the situation wherein cadres of the province have to be mobilized en masse to reinforce the grassroots each time a certain policy or task has to be carried out. Through practice, we have seen that, to successfully fulfill the party's tasks at the grassroots, there must be simultaneous changes at all four levels -- from the central to the provincial, district, and grassroot level. However, the key factor is that the localities must change first, especially the provincial and district levels. Only by effecting changes can these two levels successfully secure assistance from the upper level and provide the grassroots with timely, close, and correct guidance.

For example, only by bringing about drastic changes in agriculture and resolutely practicing intensive cultivation can the province obtain the assistance and effectively absorb the advice given by the Central Crops Institute or the Ministry of Agriculture. Only by resolutely concentrating its efforts on opening roads to serve national defense purposes can the province acquire aid from the Ministry of Communications and the 2d Military Region regarding supplies, equipment, and steel rods.

Clearly realizing our role as a border province situated on the frontline of the fatherland, we have highly concentrated the resources of the entire province on the task of building a defense line and reorganizing the populated areas at the border, thereby ensuring that the local armed forces and people hold fast to their positions right at the border and develop the combat effectiveness of the people's Armed Forces.

This work is very difficult and requires large amounts of money and effort. We have educated the people in upholding their sense of self-reliance and making use of the aggregate strength of the entire province to achieve at all costs the tasks already set forth. Implementing the resolution of the party committee on all the people devoting themselves to consolidating national defense, all the province devoting itself to consolidating the border defense line, and all the people fighting the aggressors, we have launched movements for the people throughout the province to march to the border and for the villages and districts in the rear to contribute their manpower and material resources to building the border defense line and border mountain districts so as to simultaneously create firm and stable production bases and rearrange the populated areas to suite the demand for the building of combat villages and hamlets.

The people of various nationalities throughout the province have warmly responded to these movements with a high sense of self-consciousness. Within a short period of time, they have contributed tens of millions of dong, thousands of metric tons of grain, and thousands of head of cattle to the building of the border defense line. Various national defense projects -- such as the building of roads, underground shelters, and trenches; the laying of water mains; the building of dwelling houses, beds, communications lines, and warehouse systems -- organized and guided by the province using the local budget and with the effort and money contributed by the people throughout the province have been satisfactorily carried out, thereby helping to improve the border defense line and increasing the combat strength of the Armed Forces in various areas.

These projects have been built through the mobilization of the communications, building, industrial, and posts and telegraph sectors of the province. Each sector has devoted all its strength to quickly and satisfactorily doing the jobs entrusted to it. The provincial building corporation has broadened its scale of operations and increased the number of its workers to build hundreds of iron house frames for soldiers stationed at various strongpoints and to produce thousands of precast concrete forms for the building of combat fortifications and trenches.

Road construction sites have been set up under the direct management of various districts. Since 1978 to date, the people of various nationalities in border mountain areas of Ha Tuyen Province have contributed nearly 4 million man-days to repairing old roads and opening new ones. Some roads, planned to be finished in 1 month, were completed only in a few weeks. The province has built or upgraded a total of 567 km of roads, including 83 km of highways leading to various strongpoints. Efforts have been concentrated on quickly and neatly carrying out according to plan all programs such as the building of projects belonging to the border defense line such as roads linking inland areas with the border and various strongpoints; telephone lines from command centers to combat units; water mains to strongpoints to provide water for soldiers; concrete shelters and trenches; barracks and beds for soldiers; (?border fences); and afforestation.

Through the movement to carry out projects to serve national defense purposes and assist the frontline, various sectors, districts, and villages in the provinces have gained some experience in combining economic building with national defense work and vice versa, in mobilizing the people throughout the province to simultaneously carry out production and combat duties, and, at the same time, in opening up new directions and developing practical work methods, thereby leading the people in the border mountain areas to advance to socialism step by step in wartime conditions. The province has taken care to build many houses with iron frames at various strongpoints and beds for cadres and soldiers. It has built communications lines, water tanks, warehouses, and hospitals to serve combat purposes.

Along with enhancing the defense capabilities and increasing the fighting strength of the Armed Forces, we have paid attention to guiding the development of local armed forces, especially the militia and self-defense forces on a suitable organizational scale, in adequate numbers, and with constantly improving fighting quality. The militia forces in various villages and districts in the rear have been sent to reinforce the frontline. This was aimed at both improving the fighting skills of these militia forces and increasing the fighting strength of the frontline units. For certain definite periods of time, the cost of maintaining these forces is born by the local budget.

At present, it can be said that Ha Tuyen's national defense and economic positions have both been consolidated and strengthened. The armed forces and people of Ha Tuyen are firmly standing on the frontline, determined to fulfill their duties toward the people throughout the country.

For the entire country and together with the entire country, they are determined to successfully build and firmly defend the socialist fatherland. In the past, although the enemy used concentrated division-sized artillery and infantry forces to launch fierce and annihilation attacks against many places along the border in Ha Tuyen Province, the armed forces and people in the border districts have stood firm. Confident in the upper echelons and in themselves, they have simultaneously carried out combat and production duties, wiping out tens of thousands of the aggressors, capturing and neatly annihilating many scouts, commandos, and spies; eliminating numerous secret agents planted by the enemy, thereby cleaning up the areas; firmly maintaining political security and public order and safety; and recapturing a number of our hills occupied by the enemy.

The border defense line has been strengthened, the people's war positions have been firmly protected and constantly consolidated both in width and in depth. The local armed forces, security forces, and political bases have grown up quickly and are capable of pinning down enemy forces, thereby creating favorable conditions for further coping with more complex and fiercer situations. Some districts were defended only by local armed forces and militia but managed to repel an entire division of enemy troops attacking them, fighting fiercely to firmly defend the border areas. Many weak units and establishments have become stronger and have scored exploits. Many districts have fought well while efficiently carrying out production work. In economic, cultural, and social welfare building and development, Ha Tuyen has combined economy with national defense and vice versa. Upholding its sense of self-reliance, it has recorded inspiring achievements, has initially stabilized production and the people's livelihood, and has successfully created on-the-spot logistic sources to help its armed forces and people fight the aggressors. Obviously, the enemy wants to weaken us, but, on the contrary, we have become stronger in both fighting and building and have been able to stabilize the people's living conditions. The armed forces and people of Ha Tuyen are standing firm in their positions and are advancing to socialism in wartime conditions.

VPA CHEMICALS FORCE CONDUCTS TRAINING CLASSES

BK121502 Hanoi Domestic Service in Vietnamese 1400 GMT 11 Dec 85

[Text] Implementing its 1985 training duty, the chemicals force has set up teachers teams and sent them gradually to various military regions and special zones to conduct four advanced professional classes for chemical unit heads and assistants. As the classes were conducted in primary units, large numbers of cadres could attend. The contents of each class met the characteristics, requirements, and missions of all units. The force also conducted a field training phase for cadres of platoon leaders and higher ranks to unify the contents of combat readiness training. The drawing upon field training experience was promptly made for cadres in 10th and 14th units. Through the various classes to draw upon experience, the chemicals force focussed on settling the two fundamental tasks of planning and plan management for units of company size or larger in order to truly systematize these tasks and unify the organization and method of training.

Some chemical detachments in the 1st and 2d military regions, and subordinate units were recently inspected by the force headquarters. This was a general inspection to accurately assess the training results of units. The inspected objectives covered all cadres, combatants, and specialists, especially cadres. The personnel strength of the inspected units was adequate. The results achieved were higher than those of previous years. The 2d and 4th detachments of the 14th unit were tested for 17 subject matters and were rated fair and good. The Ho5 detachment was rated fair or good for all its tests. The 17th Company was rated good for half or more of its tests.

MALAYSIAMAHATHIR CALLS OFF IRAN-IRAQ PEACE MISSION

HK131040 Hong Kong AFP in English 1010 GMT 13 Dec 85

[Text] Kuala Lumpur, Dec 13 (AFP) -- Malaysian Prime Minister Mahathir Mohamad has called off a planned peace mission to Iran and Iraq, setting back Islamic hopes for a new bid to end the Gulf war, diplomats said here today. The almost week-long visit on behalf of the Organisation of the Islamic Conference (OIC) peace committee was shelved after new conditions were raised by the two Moslem nations which have been at war for five years, the diplomats said.

The diplomats, who asked not to be identified, said it was unclear at this stage what the new conditions were or how they affected Mr Mahathir's plans to mediate a settlement. Mr Mahathir had originally planned to leave tomorrow for Jeddah, where he would have been joined by OIC Secretary-General Sharifuddin Pirzada before travelling on to Tehran and Baghdad, a senior Malaysian official said.

"All that I know (about the trip) is that it's off, as of now," the official told AGENCE FRANCE-PRESSE. The diplomats said that Gambian President Dawda Jawara, current head of the OIC had also figured in plans for a peace mission discussed at a meeting of the OIC peace committee in Jeddah in September. But there was no indication at this stage as to whether he would have joined Mr Mahathir.

Asian diplomats here said that Mr Mahathir had been singled out as a potential mediator by the peace committee, although Malaysian officials have played down any suggestion that he might play a leading role in OIC efforts to start a dialogue between the two warring nations. Bangladesh President Mohammed Hussain Ershad is said to have pushed for Mr Mahathir's inclusion in any OIC peace mission to end the Gulf war at the peace committee's September meeting. But Malaysian officials have since said that Dr Mahathir's selection for the task was more a general agreement by the peace committee's nine members than a specific decision.

The committee, set up at the OIC's third summit in Saudi Arabia in January 1981, comprises the heads of government of Malaysia, Bangladesh, Gambia, Turkey, Pakistan, Senegal, Guinea, the chairman of the Palestine Liberation Organisation (PLO) Yasir 'Arafat and the secretary-general of the OIC. Mr Mahathir has frequently called for greater Islamic solidarity and warned that the continuing Gulf war would seriously undermine the unity of Moslem society.

OFFICIAL ON CAMBODIA SOLUTION, COCKTAIL PARTY

BK110715 Kuala Lumpur International Service in English 0600 GMT 11 Dec 85

[Text] Malaysia is agreeable to any political solution that will end the conflict in Kampuchea. It also supports Prince Norodom Sihanouk's idea of holding a cocktail party of all the Khmer factions involved in the conflict and countries having an interest in the matter to find a political solution. The deputy minister of foreign affairs, Mr Abdul Kadir Sheikh Fadzir, said this at the Senate yesterday.

CAMPAIGN BEGINS: SUPREME COURT HEARS PETITIONS

HK130321 Manila Far East Broadcasting Company in English 0030 GMT 13 Dec 85

[Text] The campaign for the Philippines presidential elections next year intensified yesterday even as the Philippine Supreme Court remains undecided on the constitutionality of the polls. President Marcos mobilized party forces in several meetings with party leaders. He also addressed several gatherings where he warned people against voting for an impotent opposition. He said the opposition intended to bring back the rule of the oligarchs and the old society which had held the common people in bondage. President Marcos also said that the platform of his government is for democracy and for the eradication of communist insurgency. The Philippine president is running for reelection in the snap polls with former Foreign Minister Arturo Tolentino as his running mate.

The opposition went to the field yesterday to campaign in Batangas Province. Opposition candidate for president Mrs Cory Aquino and vice presidential aspirant former senator Salvador Laurel said they are fighting for justice and will appeal to Filipinos' patriotism.

Meanwhile, the Philippine Supreme Court remains undecided on the arguments of government lawyers on the constitutionality of the snap elections which is being contested in about 11 petitions.

Aquino-Laurel Rally

OW130049 Tokyo KYODO in English 0038 GMT 13 Dec 85

[Text] Batangas, Philippines, Dec. 13 KYODO -- Mrs. Corazon Aquino launched her presidential election campaign Thursday with an appeal for simple living. With about 8,000 people watching a simple ceremony in a muddy schoolground here, she was officially proclaimed opposition presidential candidate by the eldest brother of her vice presidential candidate. Jose Laurel, minority leader in the National Assembly, performed the traditional proclamation ceremony for the ticket of Mrs. Aquino, 52, and her vice presidential runningmate Salvador Laurel, 56. Mrs. Aquino immediately said she wanted to set the tone of her campaign by stating that she and her vice presidential candidate would subordinate all personal interests and keep the people's interests uppermost if elected in the February 7 presidential election. She added she would not live in Malacanang Palace, the former residence of Spanish colonial governors general. Mrs. Aquino said she would give the palace back to the people. It might be turned into a type of people's wedding palace, she said.

Mrs. Aquino seemed to be making a special effort to make herself available to the Laurel family following Laurel's decision Sunday night to withdraw his presidential candidacy and run as No. 2 to Mrs. Aquino. The rally at which Mrs. Aquino was proclaimed presidential candidate in Batangas Province, the home province of the big Laurel clan, was originally scheduled as Salvador Laurel's presidential proclamation rally. Some banners festooning the Batangas Provincial roads still proclaimed "Laurel for President." As their first act as the opposition's official unity presidential team, Mrs. Aquino also went along with a Laurel plan to visit the grave of Laurel's father, who served as Philippine president in the 1940's. Tens of thousands of cheering supporters lined the roads of Batangas Province as Aquino and Laurel stood side by side on an open jeep for part of the 50 kilometer drive southeast of Manila.

Marcos Warns of Tumult

HK130635 Dagupan City DZDL Radio in Tagalog 0440 GMT 13 Dec 85

[Text] President Marcos began mobilizing the KBL forces yesterday, securing promises from party leaders in region 1 to work together for the victory of the Marcos-Tolentino team in the coming elections. At the same time, the president warned that an opposition success at the polls would lead to conflict between the legislative and executive branches of the government, which, in turn, would spark violence and division within the military. The warning was given by the president during a talk to KBL convention delegates from Regions 2, 3, 4, 5, and 6 who went to Malacanang Palace to reiterate their pledges of loyalty and support to him. Marcos outlined the danger that may emerge in a situation where the president is not a member of the ruling party. The chief executive took advantage of the presence in Manila of KBL party leaders and spoke to delegates from Regions 1, 4, 7, and 2 separately from 8 o'clock in the evening to 1 o'clock in the early morning. He succeeded in mediating between Agrarian Reform Minister Conrado Estrella, Region 1 KBL chairman, and Pangasinan Governor Agbayani, both of whom had long-standing differences. The two men agreed to cooperate in order to ensure the victory of the Marcos-Tolentino ticket.

Marcos Meets KBL Leaders

HK130439 Quezon City Maharlika Broadcasting System in English 0400 GMT 13 Dec 85

[Text] President Marcos is expected to continue his meetings with KBL leaders to map out strategies for an effective and successful political campaign. Earlier, the chief executive met with KBL leaders who converged in Manila for the party convention to map out a master plan for the campaign. In his talks with the leaders, the chief executive requested provincial governors and mayors to submit to him an honest assessment of the party in their respective areas. He said this would help him determine the party's strengths and weaknesses and act accordingly.

KBL Platform

HK121555 Manila BUSINESS DAY in English 12 Dec 85 p 12

[Text] The following is the platform adopted by the Kilusang Bagong Lipunan national convention as its guidelines for government for the next six years:

"The economy: "We believe in the need to prosecute with vigor the program for economic recovery and stabilization. We see how manifestly successful the program has been in stabilizing our economic affairs and in setting the stage for the revival of economic effort.

"We believe that government must now do all to revive economic activity, provide full support to our business community, and set policies that foster sustained economic productivity.

"We pledge in less government intervention of economic activities, in giving greater room for private initiative and enterprise, in harnessing the talent and energies of ordinary people striving to improve themselves.

-- Peace and security -- "there looms today a disturbing challenge from communist insurgents in our society.

"We declare that government, employing the full powers of state and the armed forces, should move decisively and resolutely to extirpate this challenge to the republic.

"We believe that doors should be open for insurgents and radicals, who wish to return to the folds of the law and that socio-economic efforts must match the military action of government.

"To promote this effort for peace and security in the country, we support the full reorganization of the Philippine Armed Forces to strengthen the command, to modernize the services, to professionalize the officers' corps, to enhance true discipline and to bring national soldiery closer to the people.

-- Military bases -- "To continue in the support of the existence of the military bases so as to achieve internal peace and achieve balance of power in the Asian region.

-- Politics and government -- "We must ensure the autonomy and strength of government to enable to act the people's interest and to safeguard the nation against foreign intervention and domination.

"We believe that government, now more than ever, must serve as an effective instrument for radical but peaceful change.

"We believe that government must rally all the sectors, groups, and forces of national life under one unified movement to address challenges of the times.

-- Social and cultural development -- "We affirm that we must develop a society of justice and equality to which there will be concurrence among the various classes because no one class has an undue advantage over the other. We must have already won that through policies in support of agrarian reform, labor reform and wealth democratization. We propose to add measures that will aid in bridging the gap in our society. These include progressive taxation and the expansion and upgrading of social services.

"The dignity of the Filipino individual is a vital principle of our platform."

OPLA, ALMENDRAS DECLINE NP CANDIDACY OFFER

HK121553 Manila PHILIPPINES DAILY EXPRESS in English 12 Dec 85 pp 1, 6

[Excerpt] Labor Minister Blas F. Ople and Member of Parliament Alejandro Almendras last night formally declined a presidential and vice presidential draft of the Nacionalista Party [NP] leaving the future of the NP in grave doubt as it faces extinction without the ability to present official candidates for the election of Feb. 7, 1986. Emerging from a meeting with the NP Central Committee at the Holiday Inn, Ople said both he and Almendras expressed their thanks to the NP for the aborted presidential draft. Both said they chose to stay on in the KBL "because this will perhaps be our last opportunity to fight for President Marcos as hard as we can in our respective bailiwicks in return for his trust and confidence all these many years."

Ople and Almendras also informed the NP they "could not solve the grave moral dilemma of having to hurt the President, perhaps deeply and irretrievably, in a campaign that will have to focus on his shortcomings, while we hold him in deep affection." On the other hand, they said, the NP "cannot afford a bland campaign without losing credibility."

CPP TO SUPPORT 17 CANDIDATES IN LOCAL ELECTIONS

HK121557 Manila TIMES JOURNAL in English 12 Dec 85 pp 1, 7

[By Buddy Ramos]

[Text] Gen. Santos City -- The Communist Party of the Philippines [CPP] in Southern Mindanao will support 17 prospective candidates in the projected local elections in May next year and will launch a tactical offensive in areas where it has no candidates to back up. A top official of the CPP who surrendered to military authorities in Mindanao recently after killing three ranking leftist guerrillas made the disclosure.

Benjamin A. Astillero, 30, deputy secretary of the Far South Mindanao Regional Party Committee covering this city, South Cotabato, Sultan Kudarat, North Cotabato, Davao del Sur and Davao City, and member of the Committee of Mindanao (Comid) said the 17 candidates are for mayoralty and gubernatorial posts. He told Lt. Col. Ernesto Uy, commander of the army's Third Infantry Brigade, that the communists would be supporting the candidacy of militant human rights lawyer Vicente Mirabueno of this city; Ismael Sueno, the opposition mayor of Koronadal, South Cotabato; and two human rights lawyer and opposition stalwarts Boy Negrals and Boy Zunio of Davao City. Mirabueno, South Cotabato chairman of the Bagong Alyansang Makabayan, is running either for the mayoralty in this city or the vice gubernatorial post of South Cotabato which Sueno is the provincial chairman of the United Nationalist Democratic Opposition [as published].

Astillero said tactical offensive will include ambushes, boycott of the election, harassment, snatching of ballot boxes and assassination of candidates of the ruling Kilusang Bagong Lipunan.

COMELEC TO 'WEED OUT NUISANCE CANDIDATES'

HK130531 Quezon City Maharlika Broadcasting System in English 0400 GMT 13 Dec 85

[Excerpts] Not all the 30 individuals who filed certificates of candidacy for president may be allowed to run. The Commission on Elections [Comelec] is now studying the certificates to weed out nuisance candidates and those who filed certificates as a gesture of mockery at the elections.

In the meantime, the Comelec resumes on Monday its hearings on pending applications for accreditation as the dominant opposition party. The Comelec is also sending instructions to provincial supervisors and regional officials. Comelec Chairman Savellano said the poll body wants to ensure orderly polls.

[Begin Savellano recording] We have been asking our elections officials and provincial elections supervisors to inform us about incidents which happened in the areas of their responsibility, and also the probability of things that may happen again. We have required them to submit to us maps of municipalities indicating the barangays that had problems. [end recording]

DISMISSAL OF ANTI-ELECTION PETITIONS SOUGHT

HK121424 Hong Kong AFP in English 1416 GMT 12 Dec 85

[Text] Manila, Dec 12 (AFP) -- The Philippine Government today asked the Supreme Court to dismiss 11 petitions contesting the legality of a law calling for the February 7 snap presidential election. In a memorandum asking the high court to dismiss the petitions, Solicitor General Estelito Mendoza maintained that the recently-enacted law calling for early elections was constitutional, the official PHILIPPINE NEWS AGENCY and GMA television said. The concurrent justice minister said the National Assembly has the legislative prerogative to enact an election law that would anticipate a vacancy in the top executive post.

The petitioners, comprising private groups, opposition M.P.'s, and private citizens, question President Ferdinand Marcos' refusal to resign prior to the campaign period. They contend that barring his death, permanent disability, or impeachment, the Constitution mandates that the incumbent must resign to create a vacancy so an election may be held.

Mr Marcos, who is seeking a new six-year mandate amid mounting criticism to his 20-year rule, submitted a resignation letter to the National Assembly last month, but effective only after the poll winner assumes office. Mr Mendoza today said that a vacancy occurs even with the conditions set by Mr Marcos' letter, the reports said. Mr Mendoza's spokesman George Dy could not be reached for comment. The court will hear the oral arguments on Tuesday.

VER SAYS MILITARY TO MAINTAIN IMPARTIALITY IN POLLS

OW101141 Tokyo KYODO in English 1127 GMT 10 Dec 85

[Excerpts] Manila, Dec. 10 KYODO -- The Philippine military will remain neutral in the scheduled snap presidential election, according to Armed Forces Chief of Staff Gen. Fabian Ver, who said this was one of the objectives of the current revamping of the Armed Forces. Ver told reporters that the current reorganization of the Armed Forces is aimed at increasing the Philippine military's capacity to fight the 16-year-old communist-led insurgency.

Ver spoke with journalists before delivering a speech to members of an association of industrial, commercial and transport safety officers in Manila. It was his first public appearance since a trial court December 2 acquitted him along with 25 other men of murder charges in connection with the assassination of opposition leader Benigno Aquino. Asked what role the military would play in the February 6 presidential polls, Ver said: "The military will maintain its neutrality. We shall protect the sanctity of the ballot. We shall see to it that we hold a free, clean and honest election. This is one of the purposes of the reorganization."

Ver said the government policy is to keep the troops in the camps during the election, but added that the military could mobilize "if there are demands for the troops to leave the barracks." He did not say what those conditions might be.

He said the policy of extending the service of retirable generals would be "restudied" and said this was one of the functions of the reorganization board composed of colonels and generals which he heads.

Ver at Marcos' Disposal

HK101126 Hong Kong AFP in English 1051 GMT 10 Dec 85

[Excerpts] Manila, Dec 10 (AFP) -- Philippine Armed Forces chief General Fabian Ver today said his future was at President Ferdinand Marcos's disposal and vowed that the military would be neutral in the February election. Gen. Ver, reinstated December 2 after his controversial acquittal of opposition leader Benigno Aquino's murder, also told reporters that an ongoing military reorganization would be a "total revamp" and end by December 23. Asked about his possible retirement, Gen. Ver told reporters before addressing a private group here: "I am at the disposal of the president. That would depend on the president."

Gen. Ver, who heads a board in charge of the overhaul ordered by Mr. Marcos, said the revamp, which so far has involved reshuffles of major provincial commands and the top navy post, will allow the military to "better meet the demands of the situation." Gen. Ver confirmed that Commodore Brillante Ochoco recently had replaced retired Rear Admiral Simeon Alejandro as head of the Philippine Navy. He said the military would "maintain neutrality and protect the sanctity of the ballot" in the poll, adding that the military would stay in the barracks as promised by Mr. Marcos unless the situation dictated otherwise.

In his first speaking engagement since the acquittal, Gen. Ver told the Safety Organization of the Philippines that he had undergone an "agonizing experience for a year" to stand trial for the Aquino murder. He was on leave from October 1984, when a probe board implicated him in the assassination, until his acquittal with all 25 co-accused. A trial court here upheld the defense's stand that a slain communist hitman had killed Mr. Aquino.

Officials in Washington, Manila's main military and economic aid donor, have opposed Gen. Ver's return and pressed for his inclusion in a revamp that would improve the military's capacity to fight a growing communist insurgency. Gen. Ver said the insurgency was "under control" but "should be considered as far more than a mere police or law enforcement problem." Authorities needed popular support to win over the rebels, he added. Wearing a formal Filipino shirt and slacks instead of his khaki uniform, the 65-year-old general told his audience that he viewed their meeting with him "as a show of your continued support and your acceptance of the validity of my return as Armed Forces chief of staff."

Reiterates Impartiality

HK130723 Dagupan City DZDL Radio in Tagalog 0440 GMT 13 Dec 85

[Text] Armed Forces of the Philippines [AFP] Chief of Staff General Fabian Ver said yesterday that the Armed Forces will maintain their impartiality in the 7 February presidential elections. He added that the military will exert all effort to see clean, free, peaceful, and orderly election. Meanwhile, the board of generals and colonels will meet today, 13 December, to study revamp plans for the AFP. General Ver said the meeting would be held at 0900 at the conference room in Comp Aguinaldo. It is expected to deal with issues including effective counterinsurgency campaigns, reassignment of officers to key positions, and appointments of extendee generals.

In a memorandum issued yesterday, General Ver summoned AFP Vice Chief of Staff, Lieutenant General Fidel F. Ramos; Army chief Major Josephus Ramos; Air Force chief Major General Vicente Piccio Jr; Navy chief Commodore Brillante Ochoco; Brigadier General (Felicísimo Amano); and others to the meeting.

DAILY EXPRESS VIEWS TOLENTINO SELECTION

HK121459 Manila PHILIPPINES DAILY EXPRESS in English 12 Dec 85 p 4

[Editorial: "Tolentino as VP Bet"]

[Text] The selection of MP Arturo M. Tolentino as running mate of President Marcos in the Feb. 7 elections fits snugly in the overall campaign of the KBL to capture a renewed mandate from the Filipino people. Tolentino, a former foreign minister in the Marcos cabinet, has steadily earned public respect and credibility for his independence of mind, a trait which has on several occasions placed his stand on vital issues on a collision course with the President's views. He was the lone KBL survivor in the 1984 Manila contest for six Batasan seats. The veteran legislator's stature with the electorate is expected to greatly boost KBL chances in Metro Manila where the opposition is likely to put up a strong challenge for the region's four million votes. But Tolentino's worth as running mate to Mr. Marcos certainly goes beyond his vote-getting potential in the metropolis. His very presence on the ticket lends deeper credibility to the tandem because it shows, as Tolentino himself pointed out in his acceptance speech, that statesmanship is a paramount consideration of the ruling party. It paints a picture of an open-minded President who rises above differences in viewpoints and works even with critics for the public good.

The Marcos-Tolentino ticket may indeed be the formula that could counter the opposition charge of Marcos authoritarianism and intransigence. Tolentino calls it a balanced ticket because his being a known maverick virtually incorporates into the tandem the opposition side which would fiscalize the presidency. But the overriding reason for Mr. Marcos choice of Tolentino for his running mate was probably his belief that despite his differences with the latter, the former minister is the best among aspirants who could take over should anything happen to him. Not that Mr. Marcos fears his term, should he win again, might be cut short. He certainly is far from the weak and ailing leader his critics have painted him to be, as yesterday's proclamation rally clearly showed. But choosing a vice president who can ably take over in a contingency is the best proof of sincerity and commitment to public welfare.

VALENCIA CLAIMS ELECTION WILL NOT TAKE PLACE

HK121011 Quezon City Maharlika Broadcasting System in English 0130 GMT 12 Dec 85

["Analysis of the News" by Teodoro Valencia]

[Text] Well, it looks like the battle is on. President Marcos was proclaimed yesterday as the candidate of the Kilusang Bagong Lipunan and he himself had asked that, in accord with the central committee of the KBL, it should be Arturo M. Tolentino who should run as his vice presidential candidate. Tolentino addressed the convention at the Manila Hotel yesterday, surprised to be drafted by President Marcos, saying that the choice of a man who, in the past, had expressed opinions contrary to some of the policies of the administration proves that there is democracy within the KBL, and that President Marcos is prepared to accept contrary views, because they are healthy in a democratic society.

Thousands of delegates from all over the country converged on the Manila Hotel yesterday morning to listen to President Marcos and confer until 1 o'clock.

He announced that the KBL is ready for the battle, because from the fighting speeches of President Marcos, in a loud and exultant voice, he challenged the opposition to say how they can do better, and criticized them for inventing some of the things they have found fault in the administration, where, as a matter of fact, those happenings had nothing to do with whatever the administration had done. The president summarized the success of his administration over the past 20 years, and promised to do better in the next 6 years.

Many people who observed what happened yesterday at the Manila Hotel convention of the KBL were convinced more than ever that there will be no snap elections. Everything was too perfect, including the choice of the vice president. Now, the administration party, the Kilusang Bagong Lipunan, will still be the victor party even if the snap elections were not held, because all these preparations for the snap elections will benefit the party immensely in connection with the local elections of 1986, May 3 [date as heard], because the president and the central committee of the party were able to get the party organized to be able to help the local elections, in the 1986 local elections, something they could not have done without the pretense of running for president and vice president in a snap elections.

Many people ask me: Why do you keep saying that there will be no snap elections? They've just held a convention of the KBL. They nominated President Marcos. They chose Arturo Tolentino to be his vice presidential running mate. On the part of opposition, Doy Laurel is already campaigning. Cory Aquino is also likely to campaign very soon. So, everything is set for a snap elections.

The answer is very simple. I think they are all waiting for the decision of the Supreme Court. But whatever the court decides, I still think that there are ways to prevent a snap elections from happening. But you know, some of the KBL people are concerned. They've noted that not 1 centavo of the money that they have spent so far is to prepare for a snap elections, because what they are trying to do is prove to the KBL people in the provinces, those running for mayors, vice mayors, governors, that the party is alive and well and strong, and that the KBL as party will help everybody. You know, before they called for a snap elections, many of the candidates of the KBL were already reluctant to run, saying: Well, what's the point? We will lose anyway, the opposition is very strong.

Notice that because of the call for a snap election, President Marcos was able to prove many, many things, one of which was his exposure of the opposition party to be weak and divided. Were it not for this call for snap election, any opposition party leader could have gone on and in their pretense that they are united and strong and invincible and that at any time at all, they can choose one candidate for president and everybody will rally around that man. No such thing happened. Now, those who are reluctant KBL people who were just thinking of going it alone, or probably moving onwards to the opposition, are having second thoughts, very serious second thoughts, because they can see that the KBL can get together and organized, and is something to reckon with. For those who are going to run in the local elections of 1986, they now see that they have to run under the KBL banner because the KBL can help them. Whereas before, they were thinking that it could have been far better for them never to have joined the KBL, and that it was in their best interest to run independent. Because even if the KBL would have been negative there'd have to be contrary resorts to their ambitions. [sentence as heard]

Now, the KBL is in a position to say: Look here, we are still around, and very strong. We can do what we want.

President Marcos seems to be [words indistinct] in America, in the United States -- that he is no pushover; he is not a dying man. He is not about to accept any kind of dictation from the State Department or from the war department of United States. The American press was proven wrong in their announcement that President Marcos was so senile that other people were already running the government. President Marcos proved to the Filipino people that he has his own mind, that he will do what he wants, that dictation from Washington, DC, can be turned back. And this is true as in the case of General Ver; the Washington people came telling President Marcos that they did not want General Ver returned to the Armed Forces of the Philippines. But, what did Marcos do? He reappointed or he allowed General Ver to return to his position in the Armed Forces of the Philippines.

In his fighting speech at the Manila Hotel, President Marcos said that we don't need any help from the United States to put down our insurgency in the country because the insurgencies were under control by the Armed Forces of the Philippines. It is only in the American newspapers, American television and radio where the insurgents are gaining the headway. We all hope that the Americans will open their eyes to the truth and they will stop intervening in our domestic affairs, because they can only hurt themselves. All in Asia await with bated breath what will happen in this country, because it is only in the Philippines where they are beginning to discover what is the meaning of American friendship -- what it really meant for a country to be a friend of the United States -- the Philippines? So, where is the answer? In this country, it is obvious. So, yesterday's exercise was not an exercise in futility, because when the president made his appearance in the convention, by his firm and resolute voice, proved to all that he is in command of the situation. He is not dead. He is not dying. He is not senile and he is in control. And he is (?head of the country).

10,000 STAGE ANTIGOVERNMENT HUMAN RIGHTS RALLY

HK121559 Manila BULLETIN TODAY in English 12 Dec 85 p 8

[Text] Legaspi City -- Some 10,000 antigovernment demonstrators converged at Penaranda Park here Monday to stage a two-day "Welgang Bayan" (People's Strike) in commemoration of International Human Rights Day. Transport activities came to a standstill, forcing many business establishments to close. Classes were suspended.

The rally was led by the Bagong Alyansang Makabayan (Bayan) Albay Chapter headed by lawyer Vicente Peralta and the Albay Coalition of Transport Organizations for Nationalism (Action) headed by Joseph Lorenzano. Also joining were members of the League of Filipino Students, Kilusang Maghubukid ng Bicol, Bicol Concerned Teachers Alliance, Task Force Detainees, and the Bicol Concerned Lawyers for Nationalism, Democracy, and Integrity Association (Bicolandia). The demonstrators encamped at the park located in front of the provincial capitol Monday night, despite the heavy downpour, and held a cultural presentation depicting the lives of revolutionary heroes like Andres Bonifacio. They denounced alleged government repression and violations of human rights.

HUMAN RIGHTS DAY RALLY DISRUPTED BY BOMB

HK121505 Manila BULLETIN TODAY in English 12 Dec 85 p 8

[By Correspondent Isidro S. Chammag]

[Text] Baguio City -- Five persons were seriously injured when a pillbox bomb was thrown at a stage at Malcolm Square here Tuesday night during the 37th anniversary celebration of Human Rights Day.

Opposition Assemblyman Honorato Aquino, who had just finished speaking, escaped injury. He was immediately surrounded by security men and police officers. More than 1,000 persons were milling about when the explosion occurred at about 6:05 p.m. as the names of "salvaging" or murder victims were being signed by their relatives on a makeshift coffin. Injured were Irenio Ayao-ao, Cirilo, Batan, Ruben Encason, and Bobby Soriano, members of the League of Filipino Students; and Sonia Soto, officer of the Bagong Alyansang Makabayan (Bayan). Police said a witness saw a man throw something into the crowd and almost simultaneously the explosion followed.

The rally, dubbed "Luksang Bayan" started with a march and ended at Malcolm Square where speakers took turns denouncing alleged military abuses. Among the speakers from MP Aquino, were lawyers Carlito Corpuz and Arthur Galace, Fr. Jess Hechanova, and two labor and student representatives.

Similar mass actions and rallies were held in the Cordillera provinces of Kalinga Apayao, Ifugao, Mountain Province, Benguet, Abra, Ilocos Sur, and Nueva Vizcaya. A rally attended by about 10,000 farmers and fishermen was also held in Alaminos, Pangasinan.

KIDNAPPERS OF GOVERNMENT WORKERS DEMAND RANSOM

HK130843 Dagupan City DZDL Radio in Tagalog 0440 GMT 13 Dec 85

[Text] Twelve armed men, suspected kidnappers of 14 Ministry of Public Works and Highways [MPWH] employees in Gingoog City, Misamis Oriental, were reported to have delivered a ransom note to Mayor Mike (Pederanga) asking for 1 million pesos in exchange for the release of the kidnap victims.

A report submitted by Brigadier General (Madrino Munoz), RUC [Regional Unified Command]-10 commander, to Camp Crame and Camp Aguinaldo said that the kidnappers set 14 December as the deadline and that the money was to be placed at the foot of the altar in the (?Ticho-Aruhay-Lulutan) chapel in Gingoog City.

The 14 MPWH employees, including 2 engineers, were riding in a Toyota Cruiser and a truck when they came upon the kidnappers in (Barangay Lulutan), Gingoog City at 1150 last 6 December. According to the (Munoz) report sent to General Fabian Ver and Lieutenant General Fidel Ramos, the kidnappers said that the 14 hostages will be returned safely once the ransom is paid at 1200 on 14 December.

Demand, Killing Denied

HK130941 Hong Kong AFP in English 0925 GMT 13 Dec 85

[Text] Cagayan de Oro, Philippines, Dec 13 (AFP) -- Leftist rebels holding 14 people hostage near here have denied killing one of them or asking ransom, but have threatened they may be harmed if the military try to rescue them. The communist New People's Army (NPA) band holding the employees, including four engineers, demanded in a letter released to the press today that the letter should be broadcast by radio stations and 5,000 copies of a statement against a government-backed anti-communist group be printed and distributed. The letter, addressed to an official of the engineer's office in Gingoog City in the south, near where the victims were abducted at a remote road project Friday, said the alleged dead captive was "very much alive and we do not intend to kill him or any of the hostages, contrary to earlier reports." "We would also like to make it clear that the NPA is not asking for 100,000 pesos (5,300 dollars) ransom each in exchange for the release of the hostages," it added.

However, the NPA, which held a naval officer hostage near here from May to September, demanded that the letter must be broadcast by radio stations and 5,000 copies of a statement against the "Social Vigilantes" be printed and distributed. The Vigilantes are a group of farmers, residents and former NPA members and sympathizers who act as an advance information network to monitor the rebels' activities in different villages. The NPA charged that the vigilante group was organized forcibly, and that it would be used to promote the political ends of the ruling New Society Movement (KBL) in the planned February 7 presidential elections. While setting Sunday as the deadline for their demand, the NPA said the families of the victims should not raise any money for the release of the hostages, who would be "well taken care of as long as there is no military action" to free them. They said the hostages would be freed through local church leaders, and any negotiations must be carried out through them.

Navy Commander Ruben Domingo, a manager of a government-owned steel mill near here, was kidnapped by an NPA band on May 5 and released early September. Officials said no ransom was involved although there were unconfirmed reports that a million pesos (53,000 dollars) was paid by his family.

MAYORS PLEDGE SUPPORT FOR ANTI-INSURGENCY DRIVE

HK130203 Manila BULLETIN TODAY in English 12 Dec 85 pp 1, 15

[By Isidro M. Roman]

[Text] The 1,519 municipal mayors all over the country pledged yesterday to support the government's anti-insurgency campaign in their respective areas. The pledge is contained in a resolution which the Municipal Mayor's League of the Philippines (MMLP) adopted and furnished to President Marcos, Prime Minister Cesar Virata, Batasang Pambansa Speaker Nicanor Yniguez, Defense Minister Juan Ponce Enrile, and Gen. Fabian C. Ver, Armed Forces Chief of Staff.

Vigan Mayor Evaristo 'Titong' Songson, MMLP president, told Ver that the national recovery program of the government will not succeed if the terroristic activities of the insurgents and other lawless elements will not be checked. Songson cited the recent ambush killing of Mayor Baguio Valera of Baay, Licuan town in Abra by members of the New People's Army (NPA) while on his way to attend the surrender ceremony of 32 NPA regulars and 637 NPA followers and supporters. Valera was a staunch supporter of the military against communist insurgency in his town, he said. The president of the MMLP, majority of whose members attended the KBL convention at the Manila Hotel yesterday, pointed out that the fight against insurgency is not the task of the military alone but also of all peaceloving Filipinos.

At the same time, the league supported the decision of the Sandiganbayan acquitting Ver and President Marcos' decision reinstating Ver as AFP [Armed Forces of the Philippines] chief of staff. The MMLP said the decision of the Sandiganbayan means the triumph of the reign of law and justice. Songson said the 1,519 mayors all over the country have full trust and confidence in the leadership of Ver who gained recognition as a Huk fighter in the early days of his military career and has good knowledge and experience in the anti-insurgency campaign. The league noted that upon Ver's return as AFP chief of staff, he immediately launched an aggressive re-organization of the AFP, not only to revitalize the armed forces, but also to improve the morale and discipline of AFP officers and men and strengthen their will to fight and neutralize the insurgency situation in the country.

The mayors' league also cited Ver's concern for AFP troopers. Barely 24 hours upon re-assumption to office, Ver made representation with President Marcos for the release of P280 million to double the combat pay of troopers, increase the retirement benefits by 10 percent and for their bonus equivalent to one month pay of military and civilian personnel. Commodore Juanito Veridiano, AFP comptroller, was directed by Ver to make available the funds before Dec. 20.

BANKS' OVERALL RESERVE DEFICIT AT RECORD HIGH

HK111017 Manila BUSINESS DAY in English 10 Dec 85 p 2

[Text] The overall reserve deficiency of the commercial banking system has hit a record level of P3.5 billion, which indicates, banking sources claimed, that two or three banks may be in dire financial straits. Latest Central Bank [CB] data made available to BUSINESS DAY showed that commercial banks' reserve deficiency for the Nov 18-22 week amounted to P3,545 million. Commercial banks are required to keep as reserves, mainly either in the form of deposits at the CB or cash in their vaults, 23 percent of their deposits. A bank incurs a reserve deficiency when it is unable to put up the required reserves because of its tight cash position.

According to the CB data, total required reserves of commercial banks amounted to P18.57 billion, with the banking system as a whole able to put up only P15.027 billion for a deficiency of P3.545 billion. This P3.545-billion reserve deficiency of the commercial banking system is so far the largest ever reported. It surpasses the previous record level of P2.8 billion incurred in the second week of September 1984, when the banking system was hit by panic withdrawals as a result of both the general economic uncertainty as well as the closure of the huge Banco Filipino Mortgage and Savings Bank.

However, in contrast to the reserve deficiencies last year, the huge reserve deficiency reported for the third week of November does not reflect a crisis in liquidity of all banks as had happened last year when virtually all banks, except for a few of the biggest domestic banks and the four branches of foreign banks, were hit by panic withdrawals. Bankers said that at most three banks may be responsible for the huge reserve deficiency. CB Governor Jose B. Fernandez Jr. himself said in a recent Kapihan sa Maynila press briefing that the reserve deficiencies commercial banks are reported to be incurring do not reflect the stability of the entire commercial banking system but only the situation of "maybe one or two banks."

What supports this analysis is the fact that most banks are now actually awash with cash, as the loans market has not perked up any, with banks finding limited venues for investing their funds. The CB in fact even loosened the reserve requirements in October, cutting 1 percent from the previous 24 percent reserve requirements on banks' deposit liabilities. Sources in banking also noted that despite the difficult economic situation, commercial banks have been making a killing, with most of them registering huge profits from their holdings of Treasury and CB bills and from the carryover of their peso gains arising from the devaluation late last year.

The difficult financial situation of a very few banks is largely due to their non-performing loans. About 11 banks have been reported by the World Bank to have non-performing assets equivalent to at least 25 percent of their total loan portfolio, which disqualified them from the bank's agricultural loan fund (ALF) program since in the bank's reckoning, such level of nonperforming loans means that these banks' financial viability is doubtful.

BUSINESS DAY's compilation of the published statements of condition of commercial banks shows that there are five banks which appear to be incurring losses, as reflected in the declines in their capital accounts as of the third quarter this year.

BANKS REPORTEDLY BUYING MORE TREASURY BILLS

HK121601 Manila BUSINESS DAY in English 12 Dec 85 p 2

[By Conrado R. Banal III]

[Text] With barely two months to go before the scheduled snap presidential elections, banks are responding to Central Bank [CB] signals to buy more short-term IOUs of the national government. Informed sources in banking yesterday disclosed that the outstanding issues of the national government's Treasury bills increased in the last few days by about P1.5 billion. They said that based on preliminary CB data, there was a marked shift in banks' investments in government IOUs from CB bills to T-bills. In the last few days, outstanding CB bills dropped by about P1.7 billion. Among government IOUs, these two offer the best yields, ranging from 16 percent to 17 percent a year, making them equally attractive to banks in terms of interest earnings. But the CB last week added a come-on to T-bills by shortening their maturity period to 30 days. At the same time, the CB kept the shortest repayment period for CB bills at seven months.

Bankers said this CB measure directly caused the change in the banks' government IOU portfolios. Banks at present prefer to buy government IOUs with the shortest maturity period such as that of the 30-day T-bills. They want to be able to cash in the IOUs as soon as possible if lending opportunities suddenly arise. Sources earlier said the government needs to raise funds so it could pursue its construction projects early next year which is an election year.

Prime Minister Cesar Virata has explained nevertheless that the government resorts to borrowings, either from the CB or the banking system, to bridge the gap between its budgetary releases early in the year and the collection of tax revenues in the middle of the year. While the government can legally get advances from the CB, bankers believe that monetary authorities are cautious in giving advances for fear that these may rekindle inflation.

Bankers said that while more than P20 billion worth of CB bills and T-bills held by the banking system will mature between this month and February, banks have to roll over these placements for lack of other investment channels. "The (CB's) recent offering of 30-day T-bills is a bonus," a banker commented. Other bankers nevertheless noted that the CB can issue T-bills whenever the government needs to release funds for its construction projects. Because banks have to buy government IOUs anyway, the entire first quarter next year can be as good a time as any to issue more T-bills for the national government. But the CB is wisely raising at this time the funds the government will need for the first few months of 1986. Starting January, interest earnings from CB bills and T-bills will increase by two and a half percentage points from the present 15 percent to 17.5 percent. Bankers said the banking system at the moment is watching the resale market for government IOUs. The tax increase, aside from the sharp drop in interest earnings from the IOUs, may discourage more corporate and individual buyers. Banks therefore may have to hold on to the IOUs and bear the carrying costs.

EDUCATION MINISTRY EMPLOYEES PLAN STRIKE

HK130239 Manila BULLETIN TODAY in English 12 Dec 85 pp 1, 15

[By Rod L. Villa, Jr]

[Text] The Ministry of Education, Culture, and Sports [MECS] 22,847 administrative employees decided yesterday to stage a strike next year to demand a 30 percent increase in their salaries. Their leaders said they were left out again in the latest round of financial and other benefits granted by President Marcos to 380,000 government teachers. If pushed through, lawyer Nellie Nangit Tansioco, acting executive officer and legal consultant of the Ministry of Education, Culture and Sports Support Personnel Association (MECSSPA), said the strike would delay payment of the Christmas bonus and the December salaries of teachers and other MECS workers.

Education Minister Jaime C. Laya sought to avert the strike by stressing in a memorandum to President Marcos that the salaries of the employees were stuck to the same old level and unadjusted up to the present. Thousands of them receive a basic monthly pay of P495 only.

"After working with them for almost two years now, I am convinced they deserve the same measure of consideration as their co-workers in MECS whose salaries have been fully adjusted," he told the President.

MECSSPA officers said an executive order prepared for the signature of President Marcos was not submitted during last Tuesday's ceremonies honoring teachers at Malacanang in alleged violation of an agreement with MECS officials. Their demand would entail P19.3 million which, they said, could be generated from MECS savings or the general appropriations. The sum would cover a 30 percent increase amounting to P13,422,160 for 22,369 workers receiving P15,000 and below yearly, 25 percent or P5,800,776 for 402 employees receiving more than P15,000 but less than P22,000 annually, and 20 percent, or P116,033.04 for 76 non-teaching officers receiving P22,000 and above yearly.

MECS treasurer Baby Estrada lamented that while teachers' salaries increased steadily up to a basic minimum monthly of P970, those of the non-teaching force have been pegged to P494 monthly for accounting clerks and equivalent employees. In his memo to the Chief Executive, Laya said the workload of this group of employee "is generally heavier than that of their counterparts in other state agencies." He said MECS administrative personnel service 13.5 million pupils and students, in addition to 424,395 officials and teachers in both public and private schools. Laya said that under his administration, the work load increased tremendously.

MECSSPA President Rey Seludo fired off telegrams alerting chapter presidents on the strike plan. The administrative employees are distributed in 34,488 elementary schools, 568 high schools, 57 tertiary institutions, 126 school division offices, 13 regional offices, six staff bureaus, seven culture agencies, and the office of the minister.

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